



Center for  
Financial Services Innovation

An Affiliate of ShoreBank Corporation

# Nonprofit Innovations for the Underbanked: Trends & Developments

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## *Executive Summary*

In the last five years, many for-profit financial services providers have made efforts to capture the market opportunity presented by 40 million underbanked U.S. households who spend at least \$13 billion each year on more than 340 million non-bank transactions.<sup>1</sup> Although they have an increasing number of options, underbanked consumers still rely heavily on non-bank providers, because traditional financial services do not always satisfy their unique needs.

To address this situation, a growing number of nonprofit organizations are becoming facilitators or service providers for the underbanked. They have helped expand the array of affordable and well-designed products and services that can better move underbanked consumers away from being cash-based transactors toward becoming borrowers, savers, and owners. To continue building this momentum, encourage greater knowledge sharing, and build more strategic collaborations within the industry, the Center for Financial Services Innovation (CFSI) launched the 2008 Nonprofit Opportunities Fund to support nonprofit projects that promote greater financial inclusion and wealth creation among underbanked consumers.

In reviewing this year's proposals, CFSI made several key observations. First, nonprofit organizations are innovating in ways that are different from and complementary to their for-profit counterparts. Presenting solutions that address a full range of underbanked consumer needs from education and counseling to financial services, many of these organizations are developing multifaceted suites of products and services. Over half of the proposals describe complex strategies seeking to combine at least three of the four innovation segments—consumer products and pathways, marketing and distribution, risk management tools, and education.

Second, many nonprofit organizations are reaching out to other industry organizations as partners in developing their complex solutions. While industry organizations have traditionally sought nonprofit partners in the past, this year's data reveal more strategic alliances with for-profit service providers, especially with banks and credit unions. Nonprofit organizations, by virtue of their strong relations with their constituents, are well positioned to provide education and advisory and counseling services. But other aspects of a project, such as product development, data, and alternative credit underwriting models, are commonly delegated to industry partners with resources and core competencies in these areas.

Last, while nonprofit work has yielded many creative solutions, challenges and opportunities remain. Project sustainability and long-term growth continue to be a

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<sup>1</sup> CFSI Estimate

challenge and opportunity. Since many projects received this year are in their early stages, CFSI will continue to explore what roles are best suited to nonprofits as these organizations fill a void in the market and bring much-needed financial products and services to low- and moderate-income individuals.

Underbanked consumers do not necessarily follow a linear path to financial empowerment. Nonprofit organizations, with their direct access to consumers and frequent role as a trusted advisor, understand and appreciate the unique needs and challenges confronting their constituents. Serving as vital testing grounds and incubators for new financial services, nonprofit organizations have developed best practices that will remain invaluable to the industry's overall progress. The nonprofit experience and consumer reach hold tremendous promise to help for-profit providers penetrate the market and to give millions of underbanked consumers greater opportunities for wealth creation and asset accumulation.

### *Introduction*

Millions of low- and moderate-income Americans are underbanked, with little access to appropriate, reasonably priced financial products and services for their short-term financial needs. In even shorter supply are the tools for asset and credit building and the formal financial relationships needed to achieve longer-term prosperity. The financial services industry—banks, credit unions, retailers, alternative financial services providers, startup companies, nonprofits, etc.—has recognized the market opportunity. In the last five years, the industry has developed an array of innovative products and services targeted to the underbanked consumer. Nonprofit organizations in particular have emerged as key stakeholders in providing financial services and asset-building opportunities to their largely underbanked constituents.

Nonprofits have a unique advantage because of their close contact and deep relationships with many underbanked consumers. Nonprofits understand the needs and preferences of underbanked consumers and offer creative, holistic solutions. Nonprofits often play the role of trusted advisor, and some even serve as efficient, effective marketing and distribution channels. In many cases, nonprofits can test the market for exciting products and services. For these and many other reasons, the Center for Financial Services Innovation (CFSI) supports nonprofits working to improve the quantity and quality of financial services for the underbanked.

More specifically, CFSI provides funding and advisory services to leading nonprofit innovators, looking to leverage the nonprofit experience to encourage greater industry innovation and to catalyze change in the underbanked market. CFSI's request for proposals in February 2008 attracted 133 proposals totaling \$30 million in requests.<sup>2</sup> A close review of these proposals yields a wealth of information and useful insights about the current state of the nonprofit asset-building field. This paper summarizes the key trends and developments apparent in this year's grant cycle and offers insights from the nonprofit experience applicable to the broader industry working to better serve the underbanked market.

### *Diversity in Grant Proposals*

CFSI received 37 percent more applications this year than in 2005, and the breadth and depth of the proposed innovations is encouraging.

#### *Geographic Diversity*

Nonprofit organizations in more than 35 states submitted proposals. Of these, 13 percent propose national programs. The remainder focus on regional programs in communities the organizations have traditionally served or have established close relationships with. Among the 114 nonprofit organizations with a regional focus, 38 percent are based in the South, which covers 17 states stretching from Texas to Delaware. The rest are divided evenly across the Midwest, West, and Northeast regions, with concentrations in Illinois, Minnesota, New York, Pennsylvania, Texas, and California.

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<sup>2</sup> CFSI's 2008 Nonprofit Opportunities Fund was funded through a generous grant from the Wal-Mart Foundation.

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### Diversity across Stages of Development

The majority of proposals this year are still in their initial stages. Figure 1 shows the stages through which all services and business enterprises pass through and the share of proposals in each stage. When reviewing an emerging market segment, it's important to identify where the proposed services operate. Traditionally, as a market matures, more organizational efforts are in the early growth to growth stage.

Figure 1: Stages of Development

Stage	Definition	% of Proposals
Idea	Design of Project	4%
Seed	Project in Development	34%
Startup	Project defined; pilot stage	48%
Early Growth	Ongoing sustainable project; beta stage	10%
Growth	Replicable ongoing sustainable project	4%

Despite heightened attention and increased development in the underbanked market over the last five years, the market is still evolutionary. This evolutionary process requires a range of experimentation and piloting of programs, because the best service model and product mix has yet to be determined. Nonprofits are well positioned to experiment and to develop customized solutions that are potentially scalable.

### Diversity in Type of Innovation

The 133 proposals represent a wide array of innovations across three main categories: new products and pathways, marketing and distribution methods, and risk management tools and strategies. Figure 2 describes the types of projects included in each category.

Figure 2: Types of Innovation

Categories	Description
Consumer products and pathways	Creation of new financial instruments, innovations in payment methods, or enhancement tools for asset-building
Risk management tools or programs	Innovations in credit-building activities such as alternative credit scoring and underwriting tools for greater access to short- and long-term credit
Marketing and distribution methods	Innovations in marketing strategies, distribution channels, or any other research and policy programs aimed at providing a better understanding of the underbanked market

### *Product and Pathway Innovation*

The majority of the proposals, 75 percent, involved some form of product or pathway innovation.

### *Transactions and Basic Banking*

Wealth creation is a long-term process that requires the satisfaction of basic financial needs before other higher levels of financial achievement can be attained. Participating in the financial mainstream and having the tools to manage money in the short term—institutional relationships, reliable information, and the mechanisms to facilitate transactions—are therefore necessary and essential prerequisites for longer-term saving and asset building.

Nonprofit organizations are realizing the importance of this critical component of the asset-building continuum, as demonstrated by the 37 proposed programs that seek to connect consumers to safe money storage vehicles (checking accounts or prepaid cards) and to affordable payments solutions (e.g., check cashing, bill payment, direct deposit, and remittances). A surprising number of nonprofit organizations propose building an alternative financial service center or opening new low-income designated credit unions to provide consumers with easier access to financial services, looking to directly fill the gap in the financial service options for their target communities.

For example, the **Latino Economic Development Corporation (LEDC)** is looking to open an Alternative Financial Services Center (AFSC) for low- and moderate-income individuals in Montgomery County, Maryland. The social enterprise will serve mostly liquidity-based financial needs through products and services, including check cashing, remittances, money orders, bill pay, and an alternative payday loan product. However, LEDC is also developing asset-building products and services, including alternative credit building through remittances and bill pay, stored value cards linked to savings accounts, a local business loyalty card, and financial counseling. These services help promote longer-term financial stability.

Similarly, **Community Capital Development** in Seattle is opening a new low-income-designated credit union (LICU) that will provide affordable financial services to low-income residents of King County, Washington, with opportunities for asset building and long-term financial stability. LICU has an innovative structure—it will absorb an existing small credit union and be incubated intensively by a credit union industry leader. It will also rely heavily on experienced, effective community partnerships to reach a widely dispersed target population.

### *Credit/Loans*

Many proposals focus on access to affordable credit—both short- and long-term loans. One noticeable trend was the number of nonprofit organizations responding to the burgeoning payday loan industry by looking to provide consumers with a more affordable alternative to short-term, small-dollar credit with the same convenience, timeliness, and low credit requirements as payday lenders. Responding to the market need for short-term credit and recent regulation restricting payday lending in the state of Arkansas, **Southern Good Faith**

**Fund** and **Southern Financial Partners** (two nonprofit affiliates of Southern Bancorp—the nation’s largest rural development bank) plan to design, test, and implement a payday loan alternative that, if successful, could be distributed through Southern Bancorp’s branches across the Mississippi Delta region.

Many proposed alternative payday loan products include a savings feature to help consumers avoid or break out of a debt trap. For instance, the **Mountain Association for Community Economic Development (MACED)**, in partnership with rural businesses and the Appalachian Federal Credit Union, is working to increase the financial stability of lower-income consumers in Kentucky and Central Appalachia by providing a potentially scalable emergency loan product, the Save It! Loan. Employees at participating firms can apply online for a loan up to \$500 with a 10-month payback period, 18 percent APR, and a funded savings account that is repaid along with the loan amount. That is, with a \$500 loan, the borrower would repay \$500 plus interest plus an additional \$250 deposited into a savings account that would be available once the loan is repaid. MACED also embeds financial education into the program—in inserts in loan payment notices, online loan application, and a phone-based counseling service. Program coordinators at employer sites also provide education and assistance with the web application.

### *Savings/Investments*

Many proposals involving product and pathway innovations focus on savings strategies and longer-term asset-building opportunities. One especially exciting idea to encourage savings among the underbanked is the **Doorways to Dreams (D2D) Fund’s** Prize-Linked Savings program. Seeking to transform the idea of savings from an activity of sacrifice and deprivation into one of fun and excitement, D2D is partnering with the Filene Institute and six credit unions in Michigan to roll out a pilot savings program to grab the attention of lower-income consumers with a top prize of \$100,000. The product will be based on Share Certificate accounts offered by credit unions in Michigan, except that 2 percent of the interest paid will take the form of a chance to win two classes of prizes: 1) a large headline prize of \$100,000, or 2) smaller guaranteed prizes valued from \$500 to \$1,000. While such a product is still relatively new to the United States, variations have gained substantial traction and popularity in more than 20 countries around the world, especially in South Africa and the United Kingdom.

A 2006 study from The Aspen Institute and Alternatives Federal Credit Union<sup>3</sup> suggests that the path to wealth creation is complex and often nonlinear, with the possibility that consumers may assume the various roles of transactor, saver, borrower, and owner simultaneously. Thus, single-focus solutions aimed at one stage in exclusion of the others will not satisfy the needs of underbanked consumers. As CFSI observed in this recent grant cycle, nonprofit organizations appear to appreciate this complexity and have proposed programs that are quite comprehensive and address multiple stages along the “Credit Path.”

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<sup>3</sup> Bill Myers, Deirdre Silverman, Kirsten Moy, et al. (2006), “Toward a New Credit Path: Lessons from a Survey of 904 Alternatives Federal Credit Union Members,” Alternatives Federal Credit Union and The Aspen Institute.

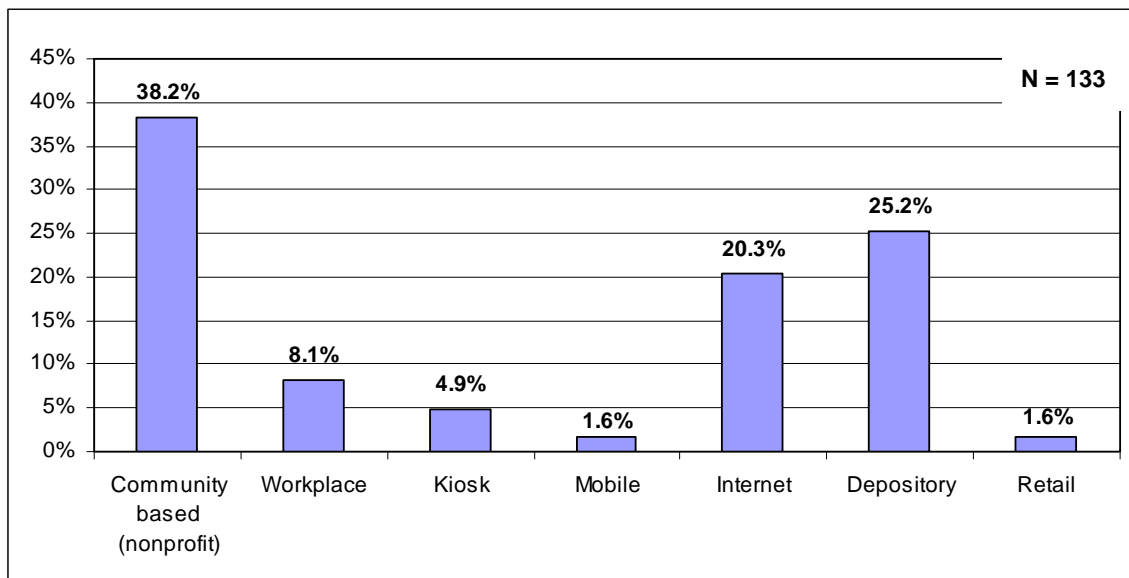
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### Marketing and Distribution Innovation

Nonprofits are devising innovative ways to market and distribute their products and services, often meeting customers where they are—online, at work, at community-based organizations, etc. Seventy-one percent of the proposals involve some type of marketing or distribution innovation. Figure 3 highlights the various distribution channels in the proposals.

Several trends stand out. The majority reach the underbanked via community-based organizations, and 12 of the 133 proposals involve community-based Volunteer Income Tax Assistance (VITA) sites in particular. Another 25 percent of applicants work with traditional depository institutions, and approximately 20 percent involve the Internet as a distribution channel, in an effort to serve a more diverse audience and to achieve scale more rapidly.

Figure 3: Breakdown by Distribution Channel



For example, **The Aspen Institute** proposes to build a web-based asset-building platform that supports the work of hundreds of volunteer free tax-preparation efforts across the country and their ability to link tax time to savings and asset-building opportunities. The center would provide shared marketing materials, marketing training for staff and volunteers, and information about appropriate financial products for the underbanked audience. Using the Internet as a distribution channel, the platform offers a cost-effective, sustainable, and scalable way to increase the capacity of the free tax-preparation programs as well as the standardization and quality of information distributed.

The workplace continues to be a popular place to reach underbanked consumers. **Ways to Work, Inc.**, is seeking to enhance financial stability, asset development, and access to financial services for many low-income, credit-distressed single working mothers by distributing its Gateway Loan and financial education through employer networks as part of its Employee

Assistance Programs (EAP). The Gateway Loan is an \$8,000 to \$12,000 loan with a four- to five-year term at a below-market interest rate (10 to 14 percent), repaid through payroll deduction, that enables the borrower to buy a better car. Employers benefit because their employees have reliable transportation that helps them get to work on time, miss fewer days, and access job training programs to build skills. Borrowers build their credit, eventually qualifying for mainstream credit products and financial services from traditional financial institutions.

**Alliance to Develop Power** is the lead agency on a financial inclusion project distributing financial services through community-based organizations or worker centers. Worker centers are community-based and community-led organizations that engage in a combination of service, advocacy, and organizing to support low-wage workers. The vast majority of them have evolved to serve mainly low-income immigrant populations. The collaborative, which includes ADP, a national partner—the Center for Community Change—and four other worker centers will pilot three models of financial service programs: 1) a prepaid debit card with on-site low-cost loading, online bill payment with credit reporting, and card-to-cash money transfers; 2) a credit union account with flexible identification requirements and low-cost money transfers; and 3) a low-cost SMS-enabled money transfer system focused on the Filipino community. Leveraging the trust and deep relationships worker centers have with their communities, along with their expertise in outreach and education, the project has the potential to reach more than three million low-income consumers and provide industry with a new and powerful distribution channel. Featuring a revenue-sharing arrangement with the prepaid card vendor, the project emphasizes self-sustainability and scalability.

**PROFMEX** reaches two to three million recent, predominantly Spanish-speaking, unacculturated Latino immigrants passing through Mexican consulates each year. Using the Saber es Poder (Knowledge is Power) Closed Circuit Television Network, PROFMEX broadcasts newscast segments on basic financial information to consulate visitors during the average one- to two-hour wait times. Visitors also receive printed information containing inserts or coupons from financial institutions offering starter products appropriate for this population. In turn, these products also provide the financial partners with a convenient way to track coupon redemption information and the return on their investment.

### *Risk Management Innovation*

Approximately 26 percent of the proposals involve innovative risk management tools or strategies. With 50 million underbanked consumers underserved by credit, having “thin” credit files or no credit history,<sup>4</sup> developing effective methods to assess risk remains a priority among financial service industry innovators, especially in the creation of alternative scoring mechanisms and underwriting models. Several nonprofits clearly understand that underbanked does not necessarily equal subprime and are thinking creatively about how to extend credit to thin- or no-file consumers.

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<sup>4</sup> CFSI estimate.

**Ariva, Inc.**, in the Bronx, New York, is working closely with CheckSpring, a small community bank, David's Check Cashing, and PRBC, an alternative credit bureau, to provide low-wage individuals with more affordable payday loan alternatives. Using check-cashing and bill-payment data from David's Check Cashing as well as rent and utilities payment data from PRBC, Ariva and CheckSpring will develop a new system of credit underwriting and delivery for underbanked borrowers with poor or limited credit history. With these alternative credit data, CheckSpring will be better equipped to devise more affordable loan packages for underbanked individuals who have been subsisting from paycheck to paycheck.

**Accion USA** uses its proprietary underwriting system to evaluate small-business loans for its majority no- or thin-file clientele. Accion USA is working to broaden its consumer credit portfolio to address more of its clients' credit needs. Recognizing that clients need two trade lines on a credit report to establish a robust credit history and thereby access prime-rate credit products, the company is looking to offer a secured credit card product and at least one new loan product (auto or mortgage) to help clients establish good credit, a critical step toward building assets in the United States.

### *Innovative Financial Education*

All consumers seeking financial stability and asset development could benefit from some form of financial education. Underbanked consumers in particular need a trustworthy source of reliable information to navigate the complex world of financial products and services. Nonprofit organizations have historically played and continue to play a leading role in financial education and counseling, with financial education a component of 80 percent of the proposals CFSI received this year.

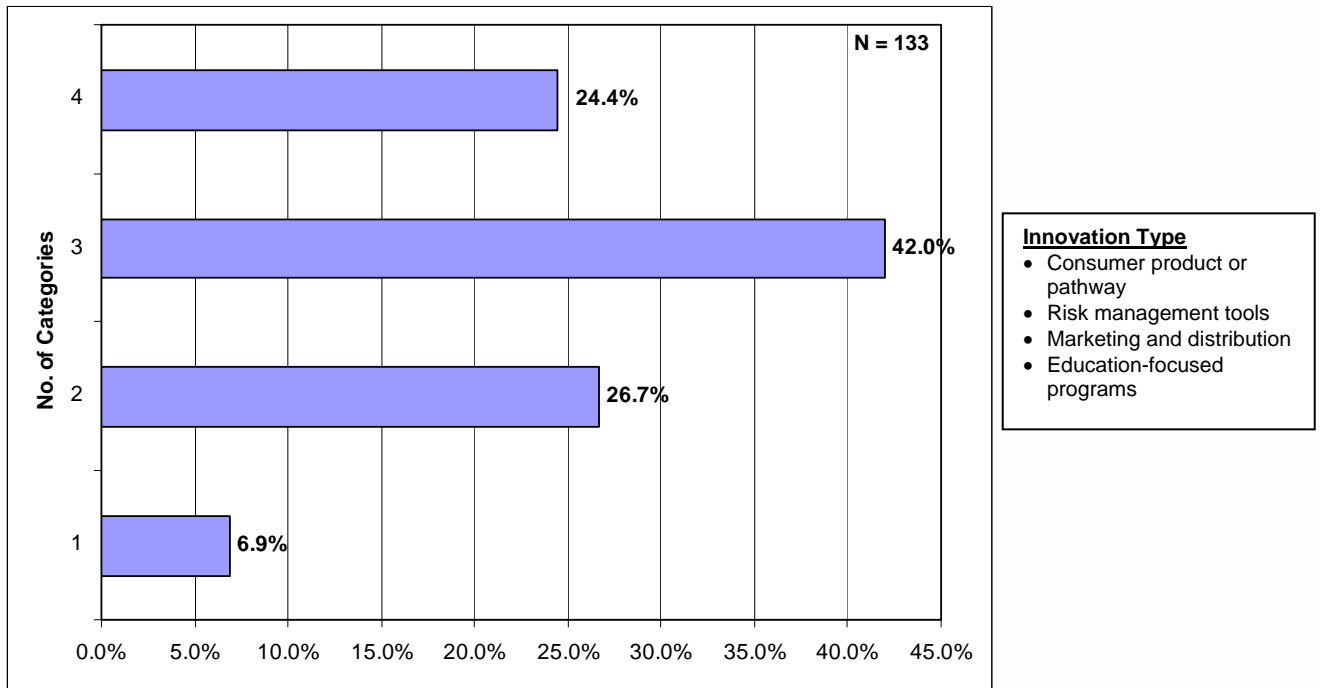
A noticeable trend is the emphasis on teachable moments, or "just-in-time" financial education. The focus turns from group-based workshops in a classroom setting toward imparting specific information closely tied to a particular product or service. Another way to think about it is that information is integrated into every transaction and every customer interaction, helping consumers obtain the information they need at the moment they need it—experiential learning.

Espousing such a practice is the **Center for Community Self-Help**. Self-Help's key innovation is to use a micro-branch strategy to create a retail credit union in California with multiple small branches that physically resemble check-cashing outlets but offer reasonably priced account-based and asset-building products. Self-Help intends to move underbanked consumers from transactional to account-based relationships largely through "in-line education." Tying consumer behavior and financial products more closely, the organization seeks to take advantage of every available interaction to enhance customers' financial knowledge, starting with their immediate needs. Recognizing the importance of customer representatives to maximize the returns of every interaction, Self-Help has also formulated a rigorous hiring procedure that takes into account candidates' language skills, comfort, and familiarity with the target community as well as their capacity as educators.

### Complexity of Innovations

One striking observation about the proposals is the degree of complexity of the solutions offered. Nonprofits are clearly thinking holistically and emphasizing an overall consumer experience in trying to address a broad range of financial service needs. Figure 4 shows how the proposed projects span multiple types of innovations—product/pathway, marketing/distribution, risk management, education, etc. Nearly all of the proposals involve multiple types of innovation—and nearly a quarter cut across all four innovation areas.

Figure 4: Innovating across Multiple Innovation Types



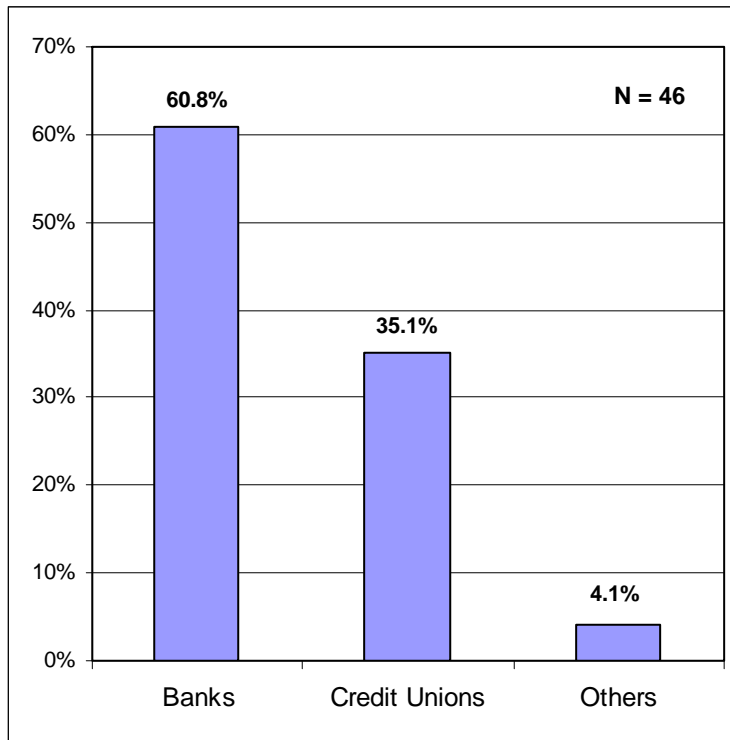
The close contact and connections between nonprofits and their underbanked constituents indicates a deep understanding of the complex needs and preferences of the underbanked consumer and the ability to develop holistic, more comprehensive solutions accordingly. However, there is an inherent risk in this complexity—successfully delivering complex solutions can be extremely challenging and taxing for organizations that lack capacity or specific competencies. For many of the ambitious plans observed by CFSI, successful execution will be the challenge. Successfully executing on these plans requires that both resource capacity and deep functional knowledge be built organically over time and developed from industry partnerships.

### Growth in Strategic Alliances

To offer comprehensive financial service solutions to underbanked consumers, nonprofit organizations are looking to build strategic partnerships with other nonprofits and with financial institutions and service providers. Such partnerships provide the necessary experience to help nonprofits extend their capacity. To succeed, however, a nonprofit must identify the right partner.

CFSI strongly encouraged collaboration throughout the RFP process and was pleased with the results. Whereas in 2005 only 30 percent of the proposals submitted involved partnerships, in 2008 more than 80 percent did so—and more than 50 percent of those included more than one partner. The most common partners were other community-based organizations (47 percent), but a significant number were financial institutions (40.9 percent). Corporations rounded out the remainder of partnerships at 12 percent.

Figure 5: Partnering with Financial Institutions



The majority of the 46 organizations working with financial institutions chose banks as their partners. Bank engagement stretched beyond providing grant funding or other financial sponsorship, suggesting that the industry sees significant value in collaborating with nonprofit organizations to provide responsible—and ultimately profitable—financial services to the underbanked.

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Working to empower and integrate immigrant and local Latino households into the financial mainstream of the United States, the Community Reinvestment Association of North Carolina (CRA-NC) has made significant inroads with its innovative Spanish Language telenovela (soap opera), *Nuestro Barrio*, which uses compelling stories to engage and inform consumers around a series of key financial topics, including homeownership, banking, and use of financial services. To expand its scope, CRA-NC proposes to partner with **BB&T** to create a series of online “webisodes” to be distributed through the bank’s website. Eager to reach the burgeoning Latino population, these “webisodes” will integrate BB&T products and services in a way that caters to this largest and fastest-growing demographic in the United States. CRA-NC and BB&T will also cross-market on television and radio and engage in community outreach to create more marketing awareness of this collaboration in Atlanta, Georgia and Washington, D.C.

While some nonprofit organizations like CRA-NC have chosen to work with bigger banks like BB&T to reach a wider audience, the majority of current grant applicants are working with small to midsized banks with average assets of less than \$50 billion, as shown in Figure 8. Many of these banks focus on community development.

Figure 6: Size of Partner Bank

Size of Banks (by assets)		% of Proposals (N=28)
Small	Less than \$1 billion	32%
Medium	Between \$1 billion and 50 billion	40.5%
Large	Between \$50 billion and \$1 trillion	21%
Mega	More than \$1 trillion	6.5%

Similarly, credit unions are also eager to expand their membership and serve more underbanked consumers. One noticeable trend during this grant cycle is the high number of strategic alliances with credit unions, especially given their relatively small market share in the overall financial services industry. Credit unions, with a mission to serve low- to moderate-income communities and to promote thrift nationally, are in many ways an obvious partner for nonprofit organizations. Because many credit unions are small, local institutions, they can change their product and service offerings and work with nonprofits to create customized solutions.

The Eastside Financial Center (EFC), a community-focused financial center in St. Paul, stemmed from a unique collaboration between **Lutheran Social Service of Minnesota** (LSS) and the U.S. Federal Credit Union (USFCU). At EFC, LSS and USFCU work side by side to improve the financial well-being of neighborhood residents through credit union services and financial counseling. LSS and USFCU collaborated on a customized menu of products appropriate to the target audience, including free Refund Anticipation Loans, Individual Development Accounts, and low-cost checking accounts. A new product proposed by LSS and USFCU is an EITC-Funded Secured Credit, which links secured credit cards and tax refunds to help clients with weak credit histories start building a stronger credit foundation. Tax refunds will be deposited into the accounts and serve as collateral for the credit card. USFCU will be instrumental in processing, issuing, and monitoring these VISA accounts, including credit

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reporting through its well-established in-house VISA card department. LSS will provide the financial coaching and counseling that are integral to the program.

To make these strategic relationships work for all parties means identifying the best partners and effectively managing those relationships. Clear definition of goals and objectives is essential to finding and matching those most committed and able to serve the unique needs of underbanked consumers. Understanding each partners' priorities and pressures—scale, profit, social impact, etc.—is critical to productive and rewarding collaboration. Identifying needed complementary skills and a clear division of roles and responsibilities will also help to ensure success. All parties must also remain strategically and operationally committed over the long term to make the program sustainable. Simply put, the best collaborations begin with careful planning.

### *Areas of Opportunity and Challenge—Discussion and Conclusions*

As reflected by the 133 proposals submitted to CFSI's Nonprofit Opportunities Fund, nonprofit organizations are engaging in the provision of financial services and asset-development opportunities to the more than 40 million financial underbanked households in the United States. The solutions proposed vary widely by type of innovation, and many hold tremendous promise for helping low- to moderate-income consumers move toward financial prosperity. However, for success over the long run, nonprofits will need greater capacity and new intelligence about the ever-changing financial services landscape—the qualities that committed partners can bring.

As nonprofits become a delivery channel for financial products and services, opportunities for revenue generation increase. More than 20 percent of this year's proposals involve some sort of social enterprise or earned-income component, with programs achieving self-sustainability within three to five years. From a larger perspective, a demonstrated positive cash flow from providing financial services to the underbanked can be an effective lure for more service providers. These nonprofit initiatives can act as proof of concepts that may convince more mainstream financial services providers to create and structure products targeted at low- and moderate-income consumers.

However, the majority of projects rely on funding from grants, contracts, or donations. While this may make long-term sustainability a challenge, it also reflects the early stage of development or experimental nature of these projects. In addition, some programs offered by nonprofits will, by design, never be profitable or sustainable, yet they provide invaluable services to underbanked consumers. A challenge and opportunity will remain to evolve many of these programs to be financially self-sustaining.

Through grant-making and its support of nonprofits generally, CFSI is exploring what roles are best suited to nonprofits. This is a relatively new area for many nonprofits, and others are still seeking to get involved in this type of work. To be successful, they will need increased support from funders and partners for organizational development and capacity building as well as strong leaders who understand both the nonprofit and the for-profit sectors.

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It is a worthy investment for CFSI, as nonprofit organizations are filling a void in the market, promoting greater financial inclusion, and bringing much-needed financial products and services to low- and moderate-income individuals. Ultimately, the nonprofit experience will help demonstrate the profitability and viability of investing in the overall underbanked market.

### About CFSI:

The Center for Financial Services Innovation (CFSI), a non-profit affiliate of ShoreBank Corporation, facilitates financial services industry efforts to serve underbanked consumers across the economic, geographic, and cultural spectrum. It provides funding and resources, enables partnerships, and identifies, develops and distributes authoritative information on how to respond to the needs of the underbanked profitably and responsibly. CFSI works with banks, credit unions, technology vendors, alternative service providers, consumer advocates, and policy makers to forge pioneering relationships, products, and strategies that will transform industry practice and the lives of underbanked consumers. For more on CFSI, go to [www.cfsinnovation.com](http://www.cfsinnovation.com).

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