

November 2, 2012

Monica Jackson
Office of the Executive Secretary
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

RE: Docket No. CFPB–2012–0030, Request for Information on Effective Financial Education

Dear Ms. Jackson:

On behalf of the Investor Protection Trust (IPT)¹ and the Investor Protection Institute (IPI)², I am submitting this response to your Request for Information (RFI) in Docket CFPB–2012–0030, as contained in the August 2, 2012 Federal Register. We welcome this opportunity to provide the Consumer Financial Protection Bureau (CFPB) with the benefit of our experiences in developing and launching initiatives that will educate consumers and help them make better informed financial decisions. On behalf of the IPT and IPI, I would like to extend an invitation for our organizations to work together in a collaborative fashion in the future.

I will be responding below to questions 1, 2, 5 and 6.

1. In your experience, what are consumers' most common financial decision-making challenges? 2. Is there a common set (or lack) of habits, attitudes, or practices, and if so, what are they?

IPI and IPT have identified several different challenges facing different types of investors. One of our biggest current campaigns, titled "*Investor Education in the Workplace*®", is intended to remedy the related problems of low levels of employee participation in retirement savings plans, lack of financial planning, and poor understanding of core saving and investment concepts.

5. How might CFPB effectively disseminate financial literacy and education resources that will help consumers build the necessary skills to achieve good financial outcomes?

Both the Securities and Exchange Commission (SEC) and FINRA have educational outreach programs but the SEC is best served when it is partnering with nonprofit organizations that are operating at the community level. We believe that the same partnership approach would be best for CFPB. This way, CFPB can reinforce and extend the impact of successful efforts, without (1) "reinventing the wheel" of programs that already exist or (2) attempting to recreate a massive community-level network when such community level partners are already in place and doing important work.

6. What financial education tools, topics, or practices designed to help consumers improve their own financial decision-making lead to measurable outcomes?

¹ The Investor Protection Trust (<http://www.investorprotection.org>) is a nonprofit organization devoted to investor education. The primary mission of IPT is to provide independent, objective information needed by consumers to make informed investment decisions. Founded in 1993 as part of a multi-state settlement to resolve charges of misconduct, IPT serves as an independent source of unbiased and non-commercial investor education materials. IPT operates programs under its own auspices and uses grants to underwrite important investor education and protection initiatives carried out by other organizations. The IPT provides investor education at both the state and national levels.

² The Investor Protection Institute (<http://www.protectinvestors.org>) is an independent nonprofit organization that advances investor protection by conducting and supporting unbiased research and groundbreaking education programs. IPI carries out its mission through investor education, protection and research programs delivered at both the national and grassroots level in collaboration with state securities regulators and other strategic partners. IPI is dedicated to providing innovative investor protection programs that will make a meaningful difference in the financial lives of Americans in all walks of life and at all levels of sophistication about financial matters.

The nationally recognized Investor Education in Your Workplace program provides employees with unbiased instruction in personal finance and investing fundamentals. The program is a proven answer to a problem that has long plagued employers and policy makers: how to encourage employees to participate more fully in workplace saving and investing programs.

Program Overview: The Investor Education in Your Workplace® is an award winning, online training program that provides each employee with 10 hours of financial and investor education over a 10-week period. The course topics include: Saving & Investing, Personal Finance, Investing Basics, Investment Strategies, Investment Risks, Retirement Planning, Retirement Plan Options, Mutual Funds, Financial Advisors and Putting It All Together. Many employers provide time during the work day for employees to complete the courses. The Investor Education in Your Workplace is designed for all employees, regardless of age, education or income and can be accessed 24/7 via a Web browser on computers, tablet devices and smart phones.

Provided as a “challenge” program with specific start and stop dates, it is built to encourage friendly competition among employees and participating employers.

Since 2009, and with the support of the Investor Protection Trust, Investor Protection Institute and state securities regulators, over 300 companies with more than 12,000 employees have engaged in 120,000 hours of financial education with impressive results.

In 2012, employees from 12 states will have participated in spring and fall programs. By the completion of the fall 2012 program (which starts on October 22nd) the total number of successful program participants is projected to approach 20,000 people and 200,000 hours of online education.

Program Development: From 2009 to 2011, IPT worked with project partners in Wisconsin, Pennsylvania and North Carolina to pilot this online financial education program with the goal of providing employees with unbiased instruction in personal finance and investing fundamentals. The pilot program was exceptionally successful. In 2009 and 2010 researchers at the University of Wisconsin - Madison, in cooperation with the Wisconsin Credit Union League, administered a series of surveys to hundreds of employees at Wisconsin credit unions participating in Investor Education in Your Workplace® program. The researchers determined that the online investor education provided by the Investor Education in Your Workplace® program led to both sustained knowledge and changed behavior in program participants. The research was published by the Filene Research Institute (http://www.investorprotection.org/downloads/IEiYW_Filene_Report_IE_CU_Employees_2012.pdf).

In 2012, the project team has worked with 14 state securities regulators' offices to expand the program to provide the Investor Education in Your Workplace® program to thousands of employees nationwide. To date, the following states have undertaken support the program: Alaska, Alabama, Colorado, Delaware, District of Columbia, Illinois, Iowa, Michigan, North Carolina, Pennsylvania, Oklahoma, Washington, Wisconsin, and Vermont.

Participants: Employees of all ages, incomes, ethnicities and education levels have successfully completed the program. Past participants have included employees from credit unions; state, local and county governments; faculty of elementary schools, colleges and universities; office and healthcare workers; and many more.

Program Results: In general, participants who have completed the program show significant and documented improvement in their financial knowledge, attitudes and behaviors after completing the 10-week program. To date, the 10-week online Investor Education in Your Workplace® training program has produced groundbreaking results that have been verified with the program's built-in pre- and post-testing and third-party independent evaluation including:

- Up to 40 percent improvement in investment knowledge measured through pre- and post-testing;

- Up to 50 percent improvement in participant attitudes and behaviors about money including increased financial well-being, such as setting investment goals; implementing a budget; and starting/increasing contributions to 401(k), IRA, or equivalent plans;
- Roughly 80 percent of participants complete the entire 10-week program; and
- Over 92 percent say they would like to participate in additional programs.

The program's value and success have been acknowledged with two Governor's Awards for Financial Literacy in Wisconsin, as well as national recognition from the media.

Recent Results: From April through August 2012, some 70 companies and over 3,000 employees in seven states participated in the Spring Investor Education in Your Workplace program. In these tough economic times, the program delivered some significant and important benefits, including:

- A 34 percent improvement in knowledge through pre and post-testing data;
- Up to 18 percent increase in the number of participants creating a written budget;
- Up to 50 percent increase in the number of participants developing a written financial plan;
- Up to 17 percent decrease in the number of participants who paid a late fee in the past 3 months;
- Up to 13 percent increase in the number of participants creating an emergency savings fund (with at least three months of savings set aside to cover unexpected expenses);
- 10 percent increase in the number of participants saving more after the program (than before it);
- 4 percent increase in the number of participants who own a retirement account; and
- Roughly 100 percent increase in employees' confidence in understanding basics of investing.

Additional information about the Investor Education in Your Workplace is available online at:
<http://www.investorprotection.org/ipt-activities/?fa=ieiyw>.

Sincerely,

Don Blandin
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