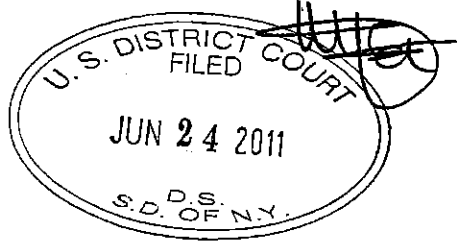


CL 10/31/09



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 Plaintiff, :  
 :  
 - against - :  
 :  
 BEAR, STEARNS & CO. INC., :  
 :  
 Defendant. :

Civil Action No. # 319

03 Civ. 2937 (WHP)

**PLAINTIFF SEC'S NOTICE  
OF FILING OF REPORT  
FROM THE FINRA INVESTOR  
EDUCATION FOUNDATION  
(FOURTH QUARTER AND  
YEAR END 2010)**

-----X  
-----X

SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 Plaintiff, :  
 :  
 - against - :  
 :  
 JACK BENJAMIN GRUBMAN, :  
 :  
 Defendant. :

Civil Action No.

03 Civ. 2938 (WHP)

-----X  
-----X

SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 Plaintiff, :  
 :  
 - against - :  
 :  
 J.P. MORGAN SECURITIES INC., :  
 :  
 Defendant. :  
-----X

Civil Action No.

03 Civ. 2939 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : LEHMAN BROTHERS, INC., :  
 :  
 : Defendant. :  
-----X

Civil Action No.  
03 Civ. 2940 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : MERRILL LYNCH, PIERCE, FENNER & :  
 : SMITH INCORPORATED, :  
 :  
 : Defendant. :  
-----X

Civil Action No.  
03 Civ. 2941 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : U.S. BANCORP PIPER JAFFRAY, INC., :  
 :  
 : Defendant. :  
-----X

Civil Action No.  
03 Civ. 2942 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : UBS WARBURG LLC, :  
 :  
 : Defendant. :  
-----X

Civil Action No.  
03 Civ. 2943 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : GOLDMAN, SACHS & CO., :  
 :  
 : Defendant. :  
-----X

Civil Action No.  
03 Civ. 2944 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : CITIGROUP GLOBAL MARKETS, INC., F/K/A :  
 : SALOMON SMITH BARNEY INC., :  
 :  
 : Defendant. :  
-----X

Civil Action No.  
03 Civ. 2945 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : CREDIT SUISSE FIRST BOSTON LLC, :  
 : F/K/A CREDIT SUISSE FIRST BOSTON :  
 : CORPORATION, :  
 :  
 : Defendant. :  
 :  
 : -----X  
 : -----X

Civil Action No.  
03 Civ. 2946 (WHP)

SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : HENRY McKELVEY BLODGET, :  
 :  
 : Defendant. :  
 :  
 : -----X  
 : -----X

Civil Action No.  
03 Civ. 2947 (WHP)

SECURITIES AND EXCHANGE COMMISSION, :  
 :  
 : Plaintiff, :  
 :  
 : - against - :  
 :  
 : MORGAN STANLEY & CO. INCORPORATED, :  
 :  
 : Defendant. :  
 :  
 : -----X

Civil Action No.  
03 Civ. 2948 (WHP)

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
: Plaintiff, : Civil Action No.  
: - against - : 04 Civ. 6909 (WHP)  
: DEUTSCHE BANK SECURITIES INC., :  
: Defendant. :  
-----X

-----X  
SECURITIES AND EXCHANGE COMMISSION, :  
: Plaintiff, : Civil Action No.  
: - against - : 04 Civ. 6910 (WHP)  
: THOMAS WEISEL PARTNERS LLC, :  
: Defendant. :  
-----X

Paragraph 8 of the Order Regarding Investor Education entered September 2, 2005 required that, among other things, the FINRA Investor Education Foundation provide the SEC with quarterly reports, that such reports contain certain information, and that the SEC file such reports with the Court.

Attached is the FINRA Investor Education Foundation's report for the quarter and year ended December 31, 2010. The SEC has reviewed the report and it conforms with the Court's Order of September 2, 2005.

Date: June 23, 2011

Respectfully submitted,



M. Alexander Koch  
Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-5041  
Telephone: (202) 551-4762  
Fax: (202) 772-9442  
[kocha@sec.gov](mailto:kocha@sec.gov)  
Attorney for Plaintiff

### CERTIFICATE OF SERVICE

I hereby certify that, on June 23, 2011, I caused the foregoing Notice of Plaintiff Securities and Exchange Commission to be served on the following by e-mail transmission pursuant to agreement among the parties:

Dennis J. Block, Esquire Cadwalader, Wickersham & Taft One World Financial Center New York, New York 10281 <a href="mailto:dennis.block@cwt.com">dennis.block@cwt.com</a> Attorneys for Bear, Stearns & Co. Inc.	Mark G. Cunha, Esquire Simpson Thacher & Bartlett 425 Lexington Ave. New York, New York 10017-3954 <a href="mailto:mcunha@stblaw.com">mcunha@stblaw.com</a> Attorneys for J.P. Morgan Securities Inc.
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FINRA Investor Education Foundation  
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Washington, D.C. 20006  
[Christine.kieffer@finra.org](mailto:Christine.kieffer@finra.org)

Date: June 23, 2011




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M. Alexander Koch





**FINRA Investor Education Foundation®**

**Report to the SEC of the Global Settlement Funds**

**For the Quarter and Year Ended December 31, 2010**

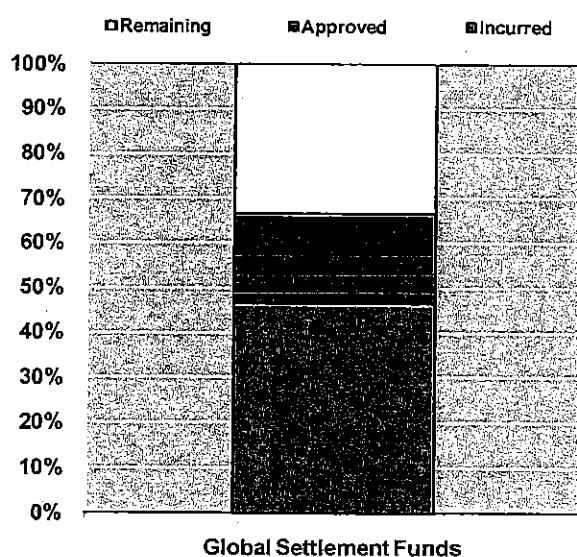
**Final 6.20.11**

The FINRA Investor Education Foundation supports innovative research and educational projects that give investors the tools and information they need to better understand the markets and the basic principles of saving and investing.

## Executive Summary

During the fourth quarter of 2010, the FINRA Investor Education Foundation (Foundation) continued to support grant programs and targeted projects. The Foundation's Board of Directors (Board) met twice during the quarter on October 15th and December 14th. During these meetings, the Board approved additional funding for targeted projects in the amount of \$7.9 million and 34 new grants in the amount of \$3.9 million, for a total of \$11.8 million, of which \$8.3 million is payable from the Global Settlement Funds (Funds). Offsetting this approved funding was the early termination of one grant and completion of one project for less than the original approved grant which reduced total grant commitments by \$0.3 million, of which \$0.2 million was allocated to the Funds. The Foundation continued to distribute funds related to previously-approved grants and targeted projects. In the fourth quarter, the Foundation incurred \$2.7 million in grant and targeted project expenses and \$0.2 million in general and administrative expenses payable from the Funds.

Since the receipt of the Funds by the Foundation, the Board has approved and or committed \$36.7 million of the \$55.0 million, excluding interest, in total Funds. Of this amount, \$23.6 million has been disbursed from the Funds to pay grantees and project partners, and \$1.9 million has been disbursed to pay general and administrative expenses, which consist of program related (e.g., grant administration, symposia, etc.) and other costs of operating the Foundation. A balance of \$11.2 million remains currently approved and committed by the Board. Additional general and administrative expenses will be incurred on an ongoing basis each quarter.



### Cumulative Expenses and Commitments from Global Settlement Funds

December 31, 2010	Expenses Incurred	Remaining Approved	Total Expenses and Commitments
		<i>(Dollars in thousands)</i>	
Grant Programs <sup>1</sup>	\$ 10,584	\$ 5,820	\$ 16,404
Targeted Projects <sup>2</sup>	13,014	5,374	18,388
General & Administrative	1,870	-	1,870
<b>Total</b>	<b>\$ 25,468</b>	<b>\$ 11,194</b>	<b>\$ 36,662</b>

<sup>1</sup> Grant Programs - Remaining Approved reflect the adjustment for either early termination of a grant or successful completion of a project for less than the original approved grant.

<sup>2</sup> Targeted Projects include the following: the Military Financial Education Project, the Investor Protection Campaign, Teen Financial Literacy Project and the College Student Debt Project.

## I. Summary of Activity in Preceding Quarter

The Foundation continues to support both grants and targeted projects. The Foundation Board convened twice during the fourth quarter—October 15 and December 14—to consider grants and projects for funding.

### **Grant Programs**

In 2010, the Foundation continued to offer four grant programs: the General Grant Program; Smart investing@your library; Financial Education in Your Community; and the Investor Advocacy Clinic Grant Program. In addition to offering these grant opportunities, the Foundation closely managed more than 61 active grant projects, several of which concluded in the fourth quarter of 2010. Resources and research resulting from Foundation-funded projects are publicly available on the Foundation Web site, [www.finrafoundation.org](http://www.finrafoundation.org).

Throughout the fourth quarter, the Foundation reviewed project concepts and proposals submitted to each of the four grant programs. In sum, the Board approved 34 grants in the fourth quarter of 2010 for a total of \$3.9 million, as detailed below:

- **General Grant Program** – The Foundation offers rolling deadlines for the submission of project concepts to the General Grant Program. Applicants whose projects most closely align with the Foundation's priorities are invited to submit a full grant proposal for consideration at one of the Foundation's Board meetings. During the fourth quarter, Foundation and National Endowment for Financial Education (NEFE) staff reviewed and evaluated six full proposals for consideration in October and one full proposal for consideration in December. The Board approved one new grant in the amount of \$519,194 at the meeting of December 14, 2010.

Throughout the quarter, the Foundation continued to accept and review new General Grant Program project concepts for consideration in 2011. The Foundation also continued to provide ongoing assistance and oversight for 17 existing education and research projects previously approved under the General Grant Program and specific Requests for Proposals. Five of these projects concluded during the fourth quarter.

- **Smart investing@your library** – The Foundation's grantmaking collaboration with the American Library Association (ALA) is designed to support community-level investor education and assistance through public libraries and library networks nationwide. The ALA partnership enables technical assistance in the areas of project management, communications, evaluation and marketing for all participating sites. During the fourth quarter, Foundation and ALA staff forwarded 24 proposals to the peer advisory committee, which is composed of practicing business-reference librarians who have provided guidance to the program since its inception. Following peer review, the Board approved at the December 14 meeting 16 Smart investing@your library grants totaling \$1,071,573. Throughout the quarter, Foundation and ALA staff continued to conduct site visits and provide regular assistance to 29 active, participating libraries. One library project reached a successful conclusion during the period.
- **Financial Education in Your Community** – The Foundation's partnership with United Way Worldwide (UWW) is designed to build the capacity of regional and local community-based organizations to meet the financial education needs of underserved working individuals and families, particularly in underserved rural communities. The project review committee—composed of Foundation and UWW staff and other outside experts—finalized analysis of

the 24 proposals under consideration by the review committee. At the December 14 meeting, the Board approved 15 Financial Education in Your Community grants totaling \$1,818,322. Throughout the quarter, Foundation and UWW staff continued to provide technical assistance to the 12 organizations receiving grants in December 2009.

- **Investor Advocacy Clinic Grant Program** – The Investor Advocacy Clinic Program provides start-up funding and assistance to law schools that are well positioned to establish clinics offering legal advice and other help for underserved investors. The program advisory committee—composed of Foundation staff, FINRA Dispute Resolution staff, and Lisa Catalano, director of the Securities Arbitration Clinic at the St. John's University School of Law—prepared recommendations to the Board from among the five grant applications received by the program deadline. After final review, the Board approved on October 15 two new investor protection clinic grants totaling \$500,000 to establish investor advocacy clinics at the University of Miami School of Law in Miami, Florida and Seton Hall School of Law in Newark, New Jersey. Seton Hall executed a grant agreement in November 2010 and started implementing its plan to open the clinic in 2011.

Three of the four law school clinics approved for funding in 2009—Suffolk University, Howard University, and Florida International University—opened their clinics to the public earlier in the year. Pepperdine University will do so starting January 2011. The three operating clinics have received approximately 50 inquiries to date. Suffolk, which opened its clinic in the first quarter of 2010, actively pursued ten cases, resulting in one settlement, three pending arbitrations and others under evaluation or in preparation for filing. Howard considered three cases with the expectation that it will offer to represent the clients. School leadership at Florida International issued a news release announcing the clinic launch, and otherwise actively promoted the clinic while making speeches or talking to the media. Media coverage and direct outreach efforts resulted in a pipeline of potential cases for the clinic, including two accepted cases and another 25 pending evaluation. Each of the clinics referred cases to private counsel or another law school clinic when the matter was not appropriate for the grantee clinic to handle. They also provided a service in advising potential clients when claims were too old to pursue and helping them otherwise decide whether or not to pursue a claim. With respect to community outreach, the clinics began to solicit partnerships ranging from middle schools and Boy Scout troops to churches and local libraries.

### Targeted Projects

The Foundation supports five previously-approved targeted projects: the Military Financial Education Project; the Investor Protection Campaign; the National Financial Capability Study; the Teen Financial Literacy Project; and the College Student Debt Project. In the fourth quarter, the Board approved an additional \$7.9 million to support these projects, as follows:

- **Military Financial Education Project** – We continued using research, partnerships and outreach to deliver high-quality information and tools to the military. Foundation staff conducted six forums at Fort Gordon, including two for Warriors in Transition, one for the Signal Corps Regimental Noncommissioned Officer Academy, one for the Navy Information Operations Command, and two for the Leader College for Information Technology. Another forum was completed in December at Fort Belvoir for the personnel of the Department of Defense Criminal Investigation Task Force. The Foundation continues to serve Warriors in Transition through regularly scheduled presentations at the National Naval Medical Center. These presentations reach both medical staff and patients with information on the wise use of disability benefits. In December, the Foundation partnered with myFICO to release an

educational tool to help servicemembers and their families manage and better understand their credit scores. Access to the tool is being provided through military Personal Financial Managers worldwide.

In support of the Department of Defense (DoD) in their emphasis on youth, the Foundation distributed 5,000 compound interest posters (adapted from the Foundation's Teen Financial Literacy Project) throughout the DoD Education Activity (DoDEA) (194 schools serving more than 84,000 students worldwide). The Acting Director of DoDEA referred staff and teachers to the resources on the Teens & Money page on SaveAndInvest.org. Furthermore, the two public service announcements began to air on Armed Forces Network Family, Atlantic, and Pacific within the Armed Forces Radio and Television Service system on October 1.

The military portion of the National Financial Capability Study was publicly released in October through an exclusive with syndicated financial columnist Michelle Singletary. Foundation President John Gannon and Holly Petraeus, then director of BBB Military Line and currently director of the Consumer Financial Protection Bureau Office of Servicemember Affairs, were quoted in the story. Much positive coverage followed after the results were publicized, including a supportive story emphasizing the military's efforts at educating its population about finances and the Foundation's role in supporting those initiatives. Additionally, there was a televised interview of Foundation staff concerning the results of this survey on MSNBC.

As of year-end, 255 participants in the Foundation's Military Spouse Fellowship Program have earned Accredited Financial Counselor status. Program fellows have logged in excess of 240,000 practicum hours in their communities. Graduates continue to serve in significant positions, such as program manager for the Army Spouse Employment Partnership, within the military community. In December, we hosted the first FINRA Foundation Military Spouse Fellows Dinner/Roundtable for fellows in the Washington, DC area. This event not only facilitated face-to-face interaction among Foundation staff and fellows but also allowed us to gather recommendations for enhancing the program.

At the December 14 meeting, the Board approved the continuation of the project through 2011 with a budget of \$3,022,754. The 2011 plan is described in section II.

- **Investor Protection Campaign** – The Foundation's research-based, social change campaign is intended to help older investors understand how they might be susceptible to investment fraud and to replace risky investment behaviors with fraud detection and prevention behaviors. Free resources now available include the *Trick\$ of the Trade: Outsmarting Investment Fraud* documentary, partner toolkit, program curriculum, brochures, and more. The campaign is now underway in Alabama, Colorado, Florida, Maine, North Carolina, Vermont, Washington, and West Virginia. In each state, the Foundation has partnered with the state securities regulator, state AARP office and various other government, non-profit and grassroots organizations. National partners include the U.S. Securities and Exchange Commission, AARP and BetterInvesting. With their support, we are conducting consumer events, training volunteer corps, distributing educational literature and DVDs, placing advertorials, conducting radio media tours, and otherwise sharing the campaign's fraud prevention messages on a community level. In the fourth quarter, we distributed more than 10,000 copies of the documentary on DVD, as well as tens of thousands of *Fighting Fraud 101* brochures.

We directly reached more than 1100 older investors through investor forums and other events in the fourth quarter in our eight primary states, in addition to those reached through our targeted media campaigns. On October 5, we joined our Colorado partners to host a

*Trick\$ of the Trade* documentary showing and fraud discussion in Grand Junction. Also in October, we participated in two consumer events hosted by our West Virginia partners, including the Office of the State Auditor and Office of the Treasurer, among others. These events attracted audiences exceeding 300 each. We also conducted a series of workshops in the Gulf region of Alabama with the Alabama Securities Commission and AARP Alabama. In Florida, we traveled to Miami for the Foundation's first investor forum marketed to the bilingual community. The forum was presented in English with Spanish translation provided via headset. Finally, on November 30, the Foundation collaborated again with partners in West Virginia to host a Consumer University on Exercising Financial Wellness in Bridgeport. Our grassroots partners, Seniors vs. Crime and the Washington State Crime Prevention Association, as well as state partners in Colorado and Vermont, continued to present the curriculum and distribute resources in their respective communities, collectively reaching hundreds of consumers in the quarter. The Foundation's field-tested Outsmarting Investment Fraud curriculum has now been presented at least 225 times to more than 14,000 consumers since the Campaign launch. The reach of the program curriculum is a significant metric in that the program was twice field-tested to demonstrate behavioral change, reducing susceptibility to a fraud appeal by nearly 50 percent.

Since the release of the *Trick\$ of the Trade* documentary by American Public Television on September 5 through year end 2010, more than 120 stations covering 29 states aired the program over 450 times. Our reach extended to 45 percent of the nation's television market with an estimated 44 million households specifically within our 50 plus target demographic. In partnership with WQED Pittsburgh, we selected ten public television stations to receive outreach awards in support of show promotion and consumer outreach in their markets. All ten will air the documentary multiple times over the coming months and engage in various community outreach initiatives around the program and its investor protection purpose. In mid-November, Foundation staff attended the American Public Television Fall Marketplace conference to inform over 100 public television station programmers and schedulers about the investor protection campaign and the value of reaching viewers with important investor protection strategies. The program was also named by *Kiplinger's Personal Finance* as a "best way to protect yourself from fraud" in the "Best of Everything 2010" issue.

Our partnership with AARP Create the Good, online at [www.createthegood.org/fightfraud](http://www.createthegood.org/fightfraud), remained active throughout the quarter. The campaign includes two toolkits designed to engage individuals in volunteer activities to protect others from investment fraud. The site also includes two "how-to" instructional videos and "5 minute ideas to help others spot the red flags" of fraud.

Finally, we continued our work with Stanford University on two research projects. The first is a partnership with the Stanford Center on Longevity to establish a national research center around the prevention of financial fraud. The second is a partnership with the Department of Psychology to conduct additional psychometric research around fraud susceptibility. Both projects are in the preliminary stages and will continue into 2011.

At the December 14 meeting, the Board approved the continuation of the campaign through 2011 with a budget of \$4,250,020. The 2011 plan is described in section II.

- National Financial Capability Study** – In consultation with the U.S. Treasury Department and the former President’s Advisory Council on Financial Literacy, the Foundation conducted a national and state-by-state survey of American adults’ financial capability. In the fourth quarter, the Foundation released the final two components of the three-part National Financial Capability Study. As reported within the Military Financial Education Project summary, the Military Survey was released in October. Beginning with a front page exclusive on *USA Today’s* Money section on December 8, the State-by-State Survey release on [www.USFinancialCapability.org](http://www.USFinancialCapability.org) garnered strong press coverage. The release of these two surveys represented the conclusion of several years’ work on the Study. Free access to the full Study methodology, results and data are available online at [www.finrafoundation.org/capability](http://www.finrafoundation.org/capability). Study data files were downloaded more than 60 times in the quarter. Since the posting of the National Survey data files in February of 2010, raw data from the Study has been downloaded by researchers, academics, policymakers and others more than 160 times. While active work on the Study concluded in the quarter, we will continue to pursue opportunities to disseminate results of the Study components and encourage academics to access the data to perform additional analysis. At the request of the Foundation Board at the time of Study approval, no Global Settlement Funds were used to support the Study.
- Teen Financial Literacy Project** – *Generation Money: Improving the Financial Literacy of America’s Teens* is a collaborative effort among the Foundation, the Consumer Federation of America and Channel One, which serves as the chief communications provider. The campaign focuses on core financial literacy competencies, with an emphasis on compound interest. On October 15, the Board approved \$648,700 to continue the project through the second quarter of 2011. For the remainder of the quarter, staff worked with the project partners to develop a project evaluation plan and to strategize new features and content. The team designed and tested a companion poster showing how interest charges exacerbate indebtedness. The new piece parallels the story lines from the animated public service announcements and is consistent with student and teacher feedback from earlier prototypes. During the fourth quarter, the project also continued its financial literacy broadcast programming to approximately 7,900 middle and high schools, reaching approximately 5.5 million students and 250,000 educators.
- College Student Debt Project** – The Foundation is working with The Institute for College Access and Success (TICAS) to undertake a three-part project encompassing: 1) preparation of a report on college and university practices related to private student loans, with emphasis on upstream, proactive steps to rein in risky student borrowing; 2) design of a campaign to encourage colleges to help students and families make more informed borrowing decisions; and 3) creation of a framework outlining reasons and strategies to test the effectiveness of, and improve, student loan counseling. TICAS collected data and drafted the initial report throughout the fourth quarter.

### **Social Marketing Symposia**

The Foundation continued to disseminate social marketing toolkits customized to the needs of investor education providers at nonprofit organizations, public libraries and other agencies. The toolkits were shared electronically.

### **Administrative Matters**

As reported in the Report to the SEC of the Global Settlement Funds For the Quarter Ended September 30, 2010, the FINRA Internal Audit department performed an audit of the Foundation in the third and fourth quarter. As a result of the Internal Audit report, the Board formed a Grant Oversight Committee in October 2010 to work with Foundation staff to implement the recommendations contained in the Internal Audit Report. With one exception (which is scheduled for discussion at the June 2011 Board meeting), management believes that all of Internal Audit's recommendations, as well as those of the Grant Oversight Committee, have been implemented. The Foundation refers to Exhibits C and D, which list a summary of the recommendations of Internal Audit and the Grant Oversight Committee, and management's view of its implementation status. In addition, FINRA's Internal Audit department has scheduled a follow-up audit of the Foundation late in 2011 to review the effectiveness of the Foundation's new procedures, and how the Foundation has responded to the recommendations contained in the October 2010 audit report.

The Board approved at its December 14 meeting the Foundation's 2011 budget in the amount of \$17.6 million, including current grant commitments payable in 2011, approved expenditures for the targeted projects previously described and small amounts for general and administrative expenses. The budget included \$3.4 million in contributed services from FINRA. Only the portion of expenditures eligible as a shared expense will be incurred by the Global Settlement Funds.

**See "Exhibit A" for a summary of "Approved Grants and Targeted Programs" and "Exhibit B" for a summary of "Grant Proposals and Project Concepts Declined." See "Exhibit C" and "Exhibit D" for summaries of the Internal Audit and Grant Oversight Committee recommendations and implementation status.**



## **II. Strategic Plan for Upcoming Year**

The Foundation undertook a strategic planning process in 2007, resulting in strategic priorities that guided the Foundation's work through 2010. In 2011, the Foundation will revisit and update these priorities, which include:

- Collaborating with government agencies and other organizations to promote universal financial literacy
- Supporting efforts that bridge research and practice in the financial and investor education field
- Facilitating and encouraging better distribution of financial and investor education resources
- Forming partnerships to reach and help more Americans
- Evaluating the impact of grants and programs
- Ensuring that the Foundation's Board of Directors and staff have appropriate expertise and perspectives

Looking forward into 2011, the Foundation will continue to support both grants and targeted projects. Board meetings for 2011 are scheduled for June 14, September 27 and December 13.

### **Grant Programs**

We will support grants through existing programs, including the General Grant Program, *Smart investing@your library* and Financial Education in Your Community. In addition to these ongoing grant opportunities, the Foundation will continue to closely manage nearly 100 active grant projects, several of which are scheduled for completion in 2011. Resources and research resulting from Foundation-funded projects are publicly available on the Foundation Web site, [www.finrafoundation.org](http://www.finrafoundation.org).

- **General Grant Program** – Through our General Grant Program, the FINRA Investor Education Foundation funds research and educational projects that support its mission of providing underserved Americans with the knowledge, skills and tools necessary for financial success throughout life. We offer rolling deadlines for submission of Project Concept Forms. Applicants whose projects most closely align with the Foundation's priorities will be invited to submit a full grant proposal for consideration at one of the Foundation's Board meetings.

In 2011, the FINRA Foundation is especially interested in applications that focus on the following areas:

- meeting the financial and investor education needs of underserved audiences
- creating new marketing and distribution channels for financial and investor education
- helping Americans manage their finances and investments in retirement
- improving investor protection

The Foundation places high priority on reaching and engaging a well-defined target audience, and encourages collaboration and strategic partnerships that facilitate effective marketing and distribution efforts. Successful education projects will have measurable impact and reach large audiences in a cost-effective manner. Preference will be given to projects that can be replicated and sustained beyond the term of grant funding. For research

projects, the FINRA Foundation is especially interested in work that has practical applications in the financial and investor education field.

Since inception (2004-2010), the Foundation has awarded 60 grants totaling more than \$19.2 million through the General Grant Program and specific Requests for Proposals. We will continue to engage with our active grantees through regular communication and periodic site visits, as needed.

- **Smart investing@your library** – We will also continue our partnership with ALA to expand the Smart investing@your library program. Additional libraries will be invited to apply starting in the second quarter of 2011. As designed by ALA and the Foundation, the program provides grants in the range of \$5,000–\$100,000 to public libraries and library networks for the purpose of improving financial and investor education, while taking advantage of new and existing distribution channels. All library grant recipients are required to use or adapt the Foundation's investor education content modules, and all have been encouraged to use products or resources developed by previous or existing Foundation grantees. The Board will select library grant recipients during the December meeting.

In its first four years (2007-2010), Smart investing@your library awarded 64 grants totaling \$4.7 million to public libraries and library networks throughout the United States. Including the member libraries of these networks, we find that the program now encompasses a combined service area population of nearly 25 million. Those approved in December 2010 will convene for a Foundation-led training seminar held in conjunction with the ALA Midwinter Meeting in San Diego in January. The training will focus on outcomes-based evaluation and social marketing strategies to reach and engage community members.

- **Financial Education in Your Community** – The Foundation will again partner with United Way Worldwide to jointly-administer a third year of the Financial Education in Your Community program to help community-based organizations provide effective and unbiased financial education. The Foundation and United Way provide resources and technical assistance to grantees throughout the grant term. Organizations will be invited in the second quarter to apply for grants ranging from \$5,000-\$100,000. These grants will be awarded to community-based organizations that have demonstrated the ability to reach and engage working individuals and families through effective social marketing techniques. We are especially interested in proposals that demonstrate a strong awareness of potential barriers to audience participation and propose strategies for overcoming these barriers. We look favorably on innovation and creativity, on projects that leverage previous organizational success and on work that is sustainable or builds the capacity of the applicant organization. The Board will select community grant recipients during the December meeting.

In its first two years (2009-2010), the Foundation awarded 27 Financial Education in Your Community grants totaling \$3.3 million. Grantees selected in 2010 will convene at the end of the first quarter of 2011 for a training workshop. The workshop will focus on several core competencies: social marketing; principles of adult learning; elements of successful financial education; and assessment and evaluation.

- **Investor Advocacy Clinic Program** – This program has provided start-up funding and assistance to law schools that establish investor advocacy clinics in high-need areas. These clinics will enable supervised law students to provide legal assistance and other advice to investors at little or no cost. Since 2009, the Foundation has awarded six Investor Advocacy Clinic Program grants totaling \$1.5 million. All clinics will become operational and service clients throughout the year. The Foundation has not yet determined if additional grants will be available through this program in 2011.

## Targeted Projects

With regard to targeted projects, the Foundation will again support existing projects: the Military Financial Education Project; the Investor Protection Campaign; the Teen Financial Literacy Project; and the College Student Debt Project. Additional projects may be considered throughout the year.

- **Military Financial Education Project** – As the Military Financial Education Project approaches its fifth anniversary, we will continue implementing our three-pronged model comprising research, partnerships and outreach to deliver high-quality information and tools. Early in the year, we will publish results of the Military Financial Confidence Survey and a second survey of Thrift Savings Plan participation, both fielded in the fourth quarter of 2010. Building on the results of the Military Financial Capability Survey, we will explore why servicemembers incur high levels of debt and which interventions can help. We also will engage in testing of the campaign's creative design and program messaging. Through a new partnership with the National Guard Bureau Headquarters, we will significantly expand our target audience. In addition, we will complete a redesign of [SaveAndInvest.org/Military](http://SaveAndInvest.org/Military) to meet the needs of servicemembers, military families and military financial educators, who serve as force multipliers for our campaign. We will also expand our corps of project champions through train-the-trainer initiatives and enhanced spouse outreach, leverage our partnership with Military Saves, and continue our outreach through face-to-face forums and other military events. Finally, we plan to continue building awareness of the campaign through earned media, paid advertising and outreach to leadership.
- **Investor Protection Campaign** – Since the launch of the Investor Protection Campaign for Older Investors (Campaign) with a two-city pilot in 2008, we have expanded our reach to eight target states and added new national-level partners, including AARP, the U.S. Securities and Exchange Commission, Stanford University and BetterInvesting. Our state partners— including securities regulators, other state government agencies and nonprofit organizations in Alabama, Colorado, Florida, Maine, North Carolina, Vermont, Washington and West Virginia—continue to be an invaluable resource in helping to structure our outreach and communications strategy customized to the needs of each unique market. In 2011, the Foundation will follow a consistent overall strategy, while engaging additional state and national partners to further our reach to more senior investors nationwide. We will launch the Research Center on the Prevention of Financial Fraud within the Stanford Center on Longevity and continue our research on victim susceptibility with the Stanford University Department of Psychology. We also will engage in testing of the campaign's program messaging, particularly those used to engage investors in our events and in post-event outreach opportunities. In conjunction with the Military Project team, we will complete a redesign of [SaveAndInvest.org/55Plus](http://SaveAndInvest.org/55Plus) to meet the needs of older investors and project partners. Further, we will continue to distribute and build upon existing educational resources, including the curriculum, toolkit and documentary. Finally, we will leverage national, state and local partnerships to expand the reach of the campaign by adding additional partners, increasing our focus on grassroots outreach programs and refining outreach strategies to maximize senior investor reach.
- **Teen Financial Literacy Project** – The Foundation, Channel One and the Consumer Federation of America will expand the roll-out of *Generation Money: Improving the Financial Literacy of America's Teens* during the first and second quarters of 2011, with production assistance from CBS News. The continuation plan leverages deliverables prepared during the first two years of the project, incorporates new narrative elements, includes the creation and distribution of a second instructional poster, and makes use of Channel One's various

multimedia distribution mechanisms directly to schools. A new poster, showing how interest charges exacerbate indebtedness, will be distributed to educators in the full network of Channel One's 7,938 middle and high schools beginning in the first quarter of 2011. The original poster, on saving with compound interest, will continue to be available upon request. We will continue airing all existing public service announcements (PSAs), and develop one new PSA extending the compound interest narrative. In addition, Channel One and CBS News will produce and broadcast a series of feature-length and short-topic segments on timely personal finance issues of importance and appeal to teens. For each feature-length segment, educators in participating schools will receive a brief discussion guide, which will allow the concepts introduced by the segment to be integrated into structured classroom conversations or related homework assignments. Viewer feedback will be collected to determine student understanding of the financial literacy issues addressed by the segments, the relative importance students assign to the topics covered, and their opinions about the quality of the coverage. Following the initial broadcasts, the segments will be repackaged for use by teachers, as well as the Foundation, its grantees, and its partners. All new and previously produced broadcast segments will be available on demand from the Generation Money website, [www.channelone.com/generationmoney](http://www.channelone.com/generationmoney), along with the PSAs, lesson plans, and classroom discussion guides. Existing web interactives will be supplemented with new quizzes and learning games. The project will also introduce new program components utilizing cell phones and social media. Finally, the project team will engage a third-party research company to host online surveys and recruit nationally representative samples of teens to measure project impact.

- **College Student Debt Project** – The Foundation will continue to work with The Institute for College Access and Success (TICAS) to study college and university practices related to private student loans. TICAS will finalize a publication on college and university practices related to private student loans, with particular emphasis on upstream, proactive steps to rein in risky borrowing. The report will identify examples from a variety of colleges (large and small, public and private, four-year and two-year, nonprofit and for-profit) and analyze what seems to be working—or not working—and why. Further, it will examine the need for data improvements to ensure that stakeholders have a reliable understanding of borrowing practices. Following development of the report, the project team will design a campaign to encourage colleges to help students and families make more informed borrowing decisions by abiding by certain best practices and goals related to private student loans. Finally, TICAS will create a conceptual framework outlining reasons and strategies to test the effectiveness of, and improve, student loan counseling. This conceptual framework will describe current federal student loan counseling requirements, both for entrance and exit counseling, and why this area is ripe for assessment and improvement. The framework will consider the optimal timing, content, and delivery mechanisms for loan counseling.

### **Administrative Matters**

Foundation staff will continue to work with the Board's Grant Oversight Committee to address issues raised and enhancements recommended by FINRA's Internal Audit team in the report dated August 31, 2010. The Grant Oversight Committee's recommendations have been approved by the full Board, and the Foundation staff is following the draft procedures created by the Committee. These draft procedures are expected to become permanent when they are voted on in June 2011.

### III. Summary of Receipts and Uses of Global Settlement Funds

The Foundation has received a cumulative total of approximately \$55.0 million, excluding interest, in Global Settlement Funds. The following summary table presents the receipts and receivables, and expenses and commitments of the Global Settlement Funds as of December 31, 2010. The 30% Foundation allocation (from funds contributed by FINRA) is not included in this summary table.

December 31, 2010	Quarter Ended	Year to Date	Cumulative to Date
	<i>(Dollars in thousands)</i>		
<b>Receipts and Receivables:</b>			
Contributions Received	\$ -	\$ -	\$ 55,660
Dividend Income	1	2	4,286
<b>Total Receipts and Receivables</b>	<b>1</b>	<b>2</b>	<b>59,946</b>
<b>Expenses and Commitments:</b>			
Grant Commitments Approved <sup>1</sup>	2,547	3,552	16,404
Targeted Projects Expenses <sup>2</sup>	1,916	4,858	13,014
Approved Targeted Projects Remaining <sup>3</sup>	5,374	5,374	5,374
General & Administrative Expenses	188	656	1,870
<b>Total Expenses and Commitments</b>	<b>10,025</b>	<b>14,440</b>	<b>36,662</b>
<b>Net (Decrease) Increase</b>	<b>\$ (10,024)</b>	<b>\$ (14,438)</b>	<b>\$ 23,284</b>

<sup>1</sup> Grant Commitments Approved reflects the adjustment for either early termination of a grant or successful completion of a project for less than the original approved grant. Quarter ended and year to date amounts represent grants approved during the current period. The cumulative to date amount includes both approved expenses where the grantee has fulfilled specific conditions or milestones of the grant of \$10.6 million, plus remaining approved grant commitments of \$5.8 million.

<sup>2</sup> Targeted Projects Expenses consist of approved amounts which have been incurred.

<sup>3</sup> Approved Targeted Project Remaining consists of approved amounts which have not yet been incurred. Project budgets are approved on a calendar year basis; unused, approved amounts do not carry over into subsequent years. Cumulative to date amount represents the 2011 budgets approved during December 2010 less spending incurred to date.

#### **Receipts and Receivables**

For the quarter ended December 31, 2010, the Foundation received approximately one thousand dollars in dividend income on the Global Settlement Funds. The Funds collected to date are invested in a U.S. Treasury money market fund consistent with the Settlement order.

Since inception, FINRA has contributed \$35.0 million in cash and has directed \$7.2 million in fines from FINRA settlements. In addition, FINRA has made non-cash contributions of media advertising for \$0.6 million and contributed services totaling \$12.7 million.

FINRA's letter to the Court dated September 12, 2005, stated that FINRA would continue to fund the Foundation in the same proportion (1.9%) used in relation to FINRA's 2004 overall operating budget. To ensure compliance with this requirement, FINRA management, on at least an annual basis, reviews the balance of the FINRA-contributed funds as a percentage of FINRA's operating budget for a given year and determines whether the percentage continues to be at least 1.9%. Upon performing this review as of December 31, 2010, management determined that the balance of the FINRA contributed-funds as a percentage of FINRA's operating budget exceeded the minimum requirement.

## Grant Commitments

The Board approves grants under various grant programs aimed at accomplishing its mission. These programs are subject to the grantee fulfilling certain conditions or milestones over the course of the grant project term and are included as grant commitments upon approval by the Board.

During the quarter ended December 31, 2010, the Board approved a total of \$3.9 million to fund 34 additional grants, of which \$2.7 million (70%) was allocated to the Global Settlement Funds and \$1.2 million (30%) was allocated to Other Foundation Funds. Offsetting this approved funding was the early termination of one grant and completion of one project for less than the original approved grant which reduced total grant commitments by \$0.3 million, of which \$0.2 million was allocated to the Funds.

Since receipt of the Global Settlement Funds in 2006, the Board has approved 130 grants totaling \$23.8 million. Of this amount, \$16.7 million (70%) was allocated to the Global Settlement Funds and \$7.1 million (30%) to Other Foundation Funds. There were 27 grants approved prior to 2006 totaling \$4.9 million, which are allocated 100% to Other Foundation Funds.

The following table summarizes the activity related to all grants approved and committed as of December 31, 2010.

December 31, 2010	Approved Grants		Grant Program Expense				Committed Balance
	No.	Amount	Quarter Ended	Year to Date	Prior Years	Other <sup>1</sup>	
(Approved 2006 or later)	<i>(Dollars in thousands)</i>						
<u>(70%) Global Settlement Funds:</u>							
General Grant Program	33	\$ 9,070	\$ (443)	\$ (1,809)	\$ (4,651)	\$ 1	\$ 2,611
Improving Disclosure to Investors	3	762	-	(115)	(559)	(88)	-
Life-Cycle Investing Program	2	620	(69)	(69)	(360)	(191)	-
Library Grant Program	64	3,284	(255)	(1,051)	(1,096)	-	1,137
United Way Grant Program	22	1,896	-	(524)	-	-	1,372
Investor Advocacy Clinic	6	1,050	(70)	(280)	(70)	-	700
<b>Total</b>	<b>130</b>	<b>16,682</b>	<b>(837)</b>	<b>(3,848)</b>	<b>(6,736)</b>	<b>(278)</b>	<b>5,820</b>
(Approved 2006 or later)							
<u>(30%) Other Foundation Funds:</u>							
General Grant Program		3,886	(189)	(774)	(1,993)	-	1,119
Improving Disclosure to Investors		326	-	(49)	(239)	(38)	-
Life-Cycle Investing Program		266	(30)	(30)	(154)	(82)	-
Library Grant Program		1,407	(109)	(450)	(470)	-	487
United Way Grant Program		813	-	(225)	-	-	588
Investor Advocacy Clinic		450	(30)	(120)	(30)	-	300
<b>Total</b>		<b>7,148</b>	<b>(358)</b>	<b>(1,648)</b>	<b>(2,886)</b>	<b>(120)</b>	<b>2,494</b>
(Approved 2004-2005)							
<u>(100%) Other Foundation Funds:</u>							
General Grant Program	19	3,504	-	(32)	(2,933)	(539)	-
Improving Disclosure to Investors	2	407	-	-	(367)	(40)	-
Young Adults Program	6	993	(10)	(37)	(871)	(48)	37
<b>Total</b>	<b>27</b>	<b>4,904</b>	<b>(10)</b>	<b>(69)</b>	<b>(4,171)</b>	<b>(627)</b>	<b>37</b>
<b>Grand Total</b>	<b>157</b>	<b>\$ 28,734</b>	<b>\$ (1,205)</b>	<b>\$ (5,565)</b>	<b>\$ (13,793)</b>	<b>\$(1,025)</b>	<b>\$ 8,351</b>

<sup>1</sup> Other reflects the adjustment for either early termination of a grant or successful completion of a project for less than the original approved grant.

## Targeted Projects

To date, the Board has approved funding to support the following targeted projects: (1) the Military Financial Education Project, (2) the Investor Protection Campaign, (3) the National Financial Capability Study, (4) the Teen Financial Literacy Project and (5) the College Student Debt Project.

At the October 15, 2010 meeting, the Board approved the continuation of the Teen Financial Literacy Project into 2011, at a cost not to exceed \$0.6 million, of which \$0.5 million was allocated to the Global Settlement Funds.

At the December 14, 2010 meeting, the Board approved the 2011 budgets for the Military Financial Education Project and the Investor Protection Campaign totaling \$7.3 million. Of this amount, \$5.1 million was allocated to the Global Settlement Funds—\$2.1 million for the Military Financial Education Project and \$3.0 million for the Investor Protection Campaign.

- **Military Financial Education Project** – During the quarter ended December 31, 2010, the Foundation incurred \$0.8 million on initiatives related to the Military Financial Education Project qualified for the Global Settlement Fund allocation, which includes the Foundation's ongoing outreach to deliver financial education tools and training to military service members and their families through a variety of programs and initiatives.
- **Investor Protection Campaign** – During the quarter ended December 31, 2010, the Foundation incurred \$0.9 million on initiatives related to the Investor Protection Campaign qualified for the Global Settlement Fund allocation. The Investor Protection Campaign aims to reduce the incidence of investment fraud among older investors.
- **National Financial Capability Study** – During the quarter ended December 31, 2010, the Foundation incurred \$0.1 million on initiatives related to the National Financial Capability Study which is a baseline study measuring the ability of Americans to manage their money. Per the Board's direction, expenses related to this project are not allocated to the Global Settlement Funds.
- **Teen Financial Literacy Project** – During the quarter ended December 31, 2010, the Foundation incurred \$0.2 million in expenses on initiatives qualified for the Global Settlement Fund allocation related to *Generation Money: Improving the Financial Literacy of America's Teens*.
- **College Student Debt Project** – During the quarter ended December 31, 2010, the Foundation did not spend any of the approved Global Settlement Fund allocated to the College Student Debt Project. This project focuses on identifying ways to help students make better borrowing decisions to meet college expenses.

## Targeted Projects (continued)

The following table summarizes targeted project spending qualified for the Global Settlement Fund allocation as of December 31, 2010.

December 31, 2010	Quarter Ended	Year to Date	Prior Periods	Total
	<i>(Dollars in thousands)</i>			
<u>(70%) Global Settlement Funds</u>				
Military Financial Education Project	\$ 831	\$ 2,009	\$ 4,163	\$ 6,172
Investor Protection Campaign	893	2,337	3,498	5,835
Teen Financial Literacy Project	192	491	495	986
College Student Debt Project	-	21	-	21
<b>Total</b>	<b>1,916</b>	<b>4,858</b>	<b>8,156</b>	<b>13,014</b>
<u>(30%) Other Foundation Funds</u>				
Military Financial Education Project	357	862	1,775	2,637
Investor Protection Campaign	381	1,001	1,483	2,484
Teen Financial Literacy Project	82	210	212	422
College Student Debt Project	-	9	-	9
<b>Total</b>	<b>820</b>	<b>2,082</b>	<b>3,470</b>	<b>5,552</b>
<u>(100%) Other Foundation Funds:</u>				
Military Financial Education Project	-	-	8,156	8,156
National Financial Capability Study	72	202	871	1,073
<b>Total</b>	<b>72</b>	<b>202</b>	<b>9,027</b>	<b>9,229</b>
<b>Grand Total</b>	<b>\$ 2,808</b>	<b>\$ 7,142</b>	<b>\$ 20,653</b>	<b>\$ 27,795</b>

The following table summarizes net remaining approved spending qualified for the Global Settlement Fund allocation for targeted projects as of December 31, 2010.

December 31, 2010	Net approved for	Net Year to	Net Prior	Remaining
(70%) Global Settlement Funds	Quarter Ended <sup>1</sup>	Date <sup>1</sup>	Periods <sup>1</sup>	Approved
	<i>(Dollars in thousands)</i>			
Military Financial Education Project	\$ 2,116	\$ 2,116	\$ -	\$ 2,116
Investor Protection Campaign	2,975	2,975	-	2,975
Teen Financial Literacy Project	262	262	-	262
College Student Debt Project	21	21	-	21
<b>Total</b>	<b>\$ 5,374</b>	<b>\$ 5,374</b>	<b>\$ -</b>	<b>\$ 5,374</b>

<sup>1</sup> Net amounts include the original amount approved less spending incurred to date.



## General and Administrative Expenses

General and Administrative Expenses, which consist of program related and other costs of operating the Foundation, are allocated between the Global Settlement Funds and Other Foundation Funds using the above referenced 70% / 30% allocation, after excluding expenses that are 100% related to FINRA-contributed funds.

The following table shows the general and administrative expenses that have been allocated to the Global Settlement Funds by classification through December 31, 2010.

December 31, 2010	Quarter Ended	Year to Date	Cumulative to Date
	<i>(Dollars in thousands)</i>		
General and Administrative Expenses:			
Program related:			
Grant Administration <sup>1</sup>	\$ 121	\$ 335	\$ 1,035
Symposia <sup>2</sup>	22	149	265
Marketing and Advertising <sup>3</sup>	-	4	70
Program Evaluation and Strategy <sup>4</sup>	-	-	42
Sub total	143	488	1,412
Other:			
Contract Services <sup>5</sup>	9	45	186
Travel and Meetings <sup>6</sup>	17	30	133
Postage, Printing and Other <sup>7</sup>	19	93	139
Subtotal	45	168	458
Total	\$ 188	\$ 656	\$ 1,870

<sup>1</sup> Grant Administration expenses consist of incurred and accrued costs for the United Way, the American Library Association and the National Endowment for Financial Education for support services provided to the Foundation in developing, administering and maintaining grant programs. This includes providing day to day administrative support to Foundation staff, as well as reviewing and preparing overviews of grant proposals.

<sup>2</sup> Symposia consist of costs related to the social marketing symposium, excluding travel.

<sup>3</sup> Marketing and Advertising consist of fees for advertisements publicizing the Foundation's grant opportunities to prospective applicants.

<sup>4</sup> Program Evaluation and Strategy consist of costs for developing the Foundation evaluation plan and advancing strategic planning.

<sup>5</sup> Contract Services consist of recurring legal, audit and consulting costs.

<sup>6</sup> Travel and Meetings consist of related expenses incurred in managing active grant projects, attending symposia and meeting with prospective grant applicants as well as Board member travel.

<sup>7</sup> Postage, Printing and Other consist of administrative postage, storage and shipping costs, printing and publications cost, investment custody fees and miscellaneous expenses.

In addition, FINRA provides management oversight, program staff and certain administrative services including legal, communications, financial, tax and treasury, to the Foundation at no cost. For the quarter ended December 31, 2010, FINRA contributed services of approximately \$1.0 million.

**FINRA Investor Education Foundation**  
**Report to the SEC of the Global Settlement Funds**  
**For the Quarter and Year Ended December 31, 2010**

**Exhibit A, Approved Grants and Targeted Projects**

<b>General Grant Program, Grants Approved</b>						
Project Type	Organization	Amount Approved	Project Term	Title/Description	Key Priorities Addressed	Date Approved by Board
Education	First Nations Development Institute	\$519,194	36 mos.	<p><i>Partnering with the Office of the Special Trustee: New Distribution Channels for Investor Education/</i> First Nations Development Institute is partnering with the U.S. Department of the Interior's Office of the Special Trustee for American Indians to create new marketing and distribution channels to meet the financial and investor education needs of Native Americans. This project builds upon two previous Foundation grants to First Nations that resulted in the development of print and online versions of a curriculum and two complementary resources designed for trainers who provide investor education to Native Americans</p>	<p>Meet the financial and investor education needs of underserved audiences                      New marketing and distribution channels</p>	December 14, 2010

Exhibit A  
Approved Grants and Targeted Projects

Smart investing@your library Grant Program, Grants Approved							
Project Type	Organization	Amount Approved	Project Term	Description	Key Priorities Addressed	Date Approved by Board	
Education	Apache Junction Public Library (AZ)	\$70,200	24 mos.	The Apache Junction Public Library will partner with the University of Arizona to offer financial literacy classes at the library and other community locations, emphasizing the small steps residents can take to lead a healthy lifestyle, both physically and financially.	Meet the financial and investor education needs of underserved audiences	December 14, 2010	
Education	Burlington County Library System (NJ)	\$95,942	24 mos.	Burlington County Library System will partner with Rutgers University Cooperative Extension, the New Jersey Coalition for Financial Education and the library/technology center at nearby Joint Base McGuire-Dix-Lakehurst to offer a variety of personal finance and investing workshops for adults. These face-to-face sessions will be supplemented by customizable Web-based learning resources.	Meet the financial and investor education needs of underserved audiences	December 14, 2010	
Education	Camden Public Library (ME)	\$45,440	12 mos.	The Camden Public Library and its partners will undertake a multipart campaign to reach every household in the town with a variety of personal finance messages, resources and utilities. The project will give particular attention to students in high school and working adults in the community.	New marketing and distribution channels Empower the nation's young people to better prepare for retirement and meet other financial goals	December 14, 2010	
Education	Carmel Clay Public Library (IN)	\$84,600	24 mos.	Carmel Clay Public Library will collaborate with the local public school system, the Ball State University Center for Economic Education, the Indiana Council for Economic Education and the Indiana Youth Institute to establish the library as the county's focal point for personal finance learning. The program will address money basics for teens, college financing, retirement planning and investor protection, among other topics.	Empower the nation's young people to better prepare for retirement and meet other financial goals Meet the investor protection needs of underserved audiences	December 14, 2010	

Exhibit A  
Approved Grants and Targeted Projects

Smart investing@your library Grant Program, Grants Approved

Project Type	Organization	Amount Approved	Project Term	Description	Key Priorities Addressed	Date Approved by Board
Education	Chesterfield County Public Library (VA)	\$81,600	24 mos.	Chesterfield County Public Library will work with local elementary schools, PTAs and the Federal Reserve Bank of Richmond to help moms and their children understand the mathematics of personal finance and investing.	Empower the nation's young people to better prepare for retirement and meet other financial goals Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	Curtis Memorial Library (ME)	\$72,950	12 mos.	Curtis Memorial Library and its partners will offer a financial literacy program tailored to the specific information needs and learning styles of women in three life stages: teens and young women entering the workforce (ages 15-24), women in midlife in various stages of transition that require smart financial management (ages 25-44) and women entering retirement age (ages 55-65).	Empower the nation's young people to better prepare for retirement and meet other financial goals Help Americans manage their finances in retirement	December 14, 2010
Education	Emmet O'Neal Library (AL)	\$46,200	17 mos.	The Emmet O'Neal Library will collaborate with the University of Alabama-Birmingham and Junior Achievement to offer multigenerational programming of broad appeal to the community. The program will begin with performances by a professional storyteller, who will prepare narratives about money and investing and how they can affect relationships, particularly among friends and family. This kick-off event will be followed by a series of educational offerings targeting teens, young families and women who are recently widowed or divorced and have never before handled finances.	Empower the nation's young people to better prepare for retirement and meet other financial goals Meet the financial and investor education needs of underserved audiences	December 14, 2010

Exhibit A  
Approved Grants and Targeted Projects

Smart investing@your library Grant Program, Grants Approved						
Project Type	Organization	Amount Approved	Project Term	Description	Key Priorities Addressed	Date Approved by Board
Education	Florence County Library System (SC)	\$47,949	16 mos.	Florence County Library System will pursue a multigenerational financial literacy strategy in partnership with the South Carolina Department of Consumer Affairs and others. The project will reach children, teens/young adults, seniors and low- to moderate-income residents to help them become financially savvy and alert them to money scams.	Empower the nation's young people to better prepare for retirement and meet other financial goals Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	Lawrence Public Library (KS)	\$52,800	30 mos.	Lawrence Public Library will incorporate a new financial wellness clinic into its business center to provide straightforward money management and investing information to low-income families. This will be accomplished through partnerships with the local school district and social services agencies, a series of educational workshops and a promotional campaign using both traditional and social media.	Meet the financial and investor education needs of underserved audiences New marketing and distribution channels	December 14, 2010
Education	Marlin County Library System (FL)	\$45,054	18 mos.	Marlin County Library System and the University of Florida Cooperative Extension will provide a graduated series of personal finance and investing workshops for lower-income residents referred by Habitat for Humanity and local social services agencies. The programming will emphasize the financial considerations pertaining to homeownership, saving for children's education, planning for retirement and rebuilding a nest egg.	Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	Martinsburg-Berkeley County Public Libraries (WV)	\$79,560	15 mos.	The Martinsburg-Berkeley County Public Libraries will partner with the Blue Ridge Community and Technical College to establish a four-part financial literacy program serving county residents under the theme "Free Way to Financial Information." The program will include a family financial fair featuring services available in the Eastern Panhandle of West Virginia, special programming on financial basics for children and teens delivered with assistance from the Shenandoah Valley Discovery Museum, financial seminars for adults and a "CASH Corridor" on the library system's website with multimedia personal finance resources.	Empower the nation's young people to better prepare for retirement and meet other financial goals Meet the financial and investor education needs of underserved audiences	December 14, 2010

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Exhibit A  
Approved Grants and Targeted Projects

Smart investing@your library Grant Program, Grants Approved						
Project Type	Organization	Amount Approved	Project Term	Description	Key Priorities Addressed	Date Approved by Board
Education	Monroe County Public Library (IN)	\$79,582 <i>30 events</i>	24 mos.	The Monroe County Public Library will target teens and 20-somethings, including Spanish speakers, through 15 workshops and 15 "talk-to-an-expert" sessions on five high-priority topics: budgeting, saving, spending, managing credit and debt, and investing. Programs will occur at the library and various county locations, and will be produced with assistance from Purdue Extension, in part to leverage communitywide attention to Indiana Saves and Money Smart Week.	Empower the nation's young people to better prepare for retirement and meet other financial goals	December 14, 2010
Education	Orange County Library System (FL)	\$51,150	18 mos.	Orange County Library System will continue its partnership with the Graduate School of Business at Rollins College to serve the financial and investor education needs of lower-income and Spanish-speaking residents, especially wage earners in the region's hospitality industry.	Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	Pelham Public Library (AL)	\$88,546	24 mos.	The University of Alabama, Jefferson State Community College and the Alabama Cooperative Extension Center will assist Pelham Public Library in delivering a financial literacy initiative for youth, adults, seniors and Spanish-speaking library patrons.	Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	Santa Clara County Library (CA)	\$100,000	24 mos.	The Santa Clara County Library project will emphasize staff training on financial topics and related reference resources. This training will be led by faculty from nearby higher education institutions and made available to all librarians within the Pacific Library Partnership, a consortium of four regional library systems. In addition to staff training, patron workshops on investing literacy will be offered at Santa Clara's seven libraries. The public workshops will be complemented by a personal finance portal added to the library's website, offering relevant materials in English, Spanish, Mandarin and Vietnamese.	Meet the financial and investor education needs of underserved audiences New marketing and distribution channels	December 14, 2010

Exhibit A  
Approved Grants and Targeted Projects

Smart investing@your library Grant Program, Grants Approved					
Project Type	Organization	Amount Approved	Project Term	Description	Date Approved by Board
Education	Washington-Centerville Public Library (OH)	\$30,000	18 mos.	Washington-Centerville Public Library and the nearby Hithergreen Senior Center will establish a series of financial seminars geared towards adults ages 50 and over in the region. Among various topics, the seminars will address healthy finances and establishing saving and investing goals, recovering from job loss and other financial challenges, IRAs, investing strategies for seniors, identify theft and financial scams targeting seniors.	December 14, 2010 Meet the investor protection needs of underserved audiences Meet the financial and investor education needs of underserved audiences

Financial Education in Your Community Grant Program, Grants Approved					
Project Type	Organization	Amount Approved	Project Term	Description	Date Approved by Board
Education	Connecticut Association for Human Services (CT)	\$150,000	24 mos.	The Connecticut Association for Human Services will partner with existing Volunteer Income Tax Assistance coalitions to provide access to financial education, financial coaching and asset building programs for 1,700 clients who qualify for the Earned Income Tax Credit. The project will focus on neighborhoods in Fairfield, New Haven and Litchfield counties, where 40 percent or more of the population qualifies for the refundable tax credit.	December 14, 2010 Meet the financial and investor education needs of underserved audiences
Education	Green Mountain United Way (VT)	\$149,963	24 mos.	Green Mountain United Way will mobilize coalition partners to create lasting change in the availability of financial education for the residents of six rural Vermont counties. Partners will conduct train-the-professional workshops for local social service agency staff, and provide a variety of workplace-based and publicly available financial education workshops. The project will be supported by a comprehensive social marketing campaign.	December 14, 2010 Meet the financial and investor education needs of underserved audiences New marketing and distribution channels

Exhibit A  
Approved Grants and Targeted Projects

Financial Education in Your Community Grant Program, Grants Approved						
Project Type	Organization	Amount Approved	Project Term	Description	Key Priorities Addressed	Date Approved by Board
Education	Maine Centers for Women, Work & Community (ME)	\$125,000	24 mos.	Maine Centers for Women, Work & Community will add modules on investing and retirement planning to their basic money management curriculum, integrate financial planning and investing skills as core competencies in their workforce development programs, and create more effective marketing and promotional tools to support their work.	Help Americans manage their finances and investments in retirement New marketing and distribution channels	December 14, 2010
Education	Montana State University Extension (MT)	\$31,125	24 mos.	Montana State University Extension will provide an education series on basic money management, investments, retirement planning and estate planning for employees of MSU satellite campuses and other working Montanans. Sessions will be offered in-person in Bozeman, and as "live webinars" to rural host locations and individuals. Sessions will be archived online to accommodate viewing at times that are convenient for participants unable to attend the live webinars.	Help Americans manage their finances and investments in retirement New marketing and distribution channels	December 14, 2010
Education	Santa Cruz Community Ventures (CA)	\$150,000	24 mos.	Santa Cruz Community Ventures will collaborate with a coalition of local partners to expand the Economic Justice Project—a social service model integrating financial and consumer education with legal and other support services—to help 2,000 low- to moderate-income Hispanic adults improve their financial and economic prospects.	Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	Step Up Savannah (GA)	\$150,000	24 mos.	Step Up Savannah will build on a successful pilot effort to integrate financial education classes at employer sites from the hospitality, healthcare, warehousing and government sectors, and will design a new referral system to steer individuals from employer programs to neighborhood Centers for Working Families for more individualized assistance.	Meet the financial and investor education needs of underserved audiences	December 14, 2010



**Exhibit A  
Approved Grants and Targeted Projects**

<b>Financial Education in Your Community Grant Program, Grants Approved</b>						
<b>Project Type</b>	<b>Organization</b>	<b>Amount Approved</b>	<b>Project Term</b>	<b>Description</b>	<b>Key Priorities Addressed</b>	<b>Date Approved by Board</b>
Education	United Way of Miami-Dade Center for Financial Stability (FL)	\$150,000	24 mos.	The United Way Center for Financial Stability will reach out to under-employed and un-employed individuals and families in Miami-Dade County through two South Florida Workforce offices, tax preparation sites and local schools. The program will provide cross-training for agency volunteers and staff to enable them to provide basic education for the families they serve, and the ability to refer clients to the Center for more comprehensive counseling and coaching.	Meet the financial and investor education needs of underserved audiences New marketing and distribution channels	December 14, 2010
Education	United Way for Southeastern Michigan (MI)	\$138,600	24 mos.	The United Way for Southeastern Michigan will collaborate with the Detroit Local Initiatives Support Corporation to support a network of financial coaches working in low-income communities in and around Detroit to assist individual families with understanding and overcoming the barriers to building wealth.	Meet the financial and investor education needs of underserved audiences	December 14, 2010
Education	United Way of Chittenden County (VT)	\$143,594	24 mos.	The United Way of Chittenden County will lead a coalition of community partners in developing and testing two on-site workplace-based financial and investor education programs at 18 sites. This project builds on an existing relationship with employers through the Working Bridges project, which develops and pilots innovative strategies to improve the retention, promotion and financial stability of their employees.	New marketing and distribution channels	December 14, 2010
Education	United Way of Greater Chattanooga (TN)	\$150,000	24 mos.	The United Way of Greater Chattanooga will provide financial education training for the staff and leadership of churches, non-profit agencies and community partners that provide financial assistance to low and moderate income individuals and families, provide trainers for "lunch and learn" sessions sponsored by local non-profit agencies and their clients, provide one-on-one debt reduction counseling and financial coaching for clients referred by partner non-profits who have received training, and undertake marketing efforts to reach outlying rural counties as well as targeted urban neighborhoods.	Meet the financial and investor education needs of underserved audiences New marketing and distribution channels	December 14, 2010

**Exhibit A**  
**Approved Grants and Targeted Projects**

<b>Financial Education in Your Community Grant Program, Grants Approved</b>							
<b>Project Type</b>	<b>Organization</b>	<b>Amount Approved</b>	<b>Project Term</b>	<b>Description</b>	<b>Key Priorities Addressed</b>	<b>Date Approved by Board</b>	
Education	United Way of Greater Kansas City (MO)	\$150,000	24 mos.	The United Way of Greater Kansas City will collaborate with five service providers to develop a model for integrating financial education into services for homeless or near-homeless young adults, 16-24 years of age, who are either employed or have a stable source of income. One outcome of the project will be a report on lessons-learned and best practices that will be shared with other organizations that serve at-risk young people.	Empower the nation's young people to better prepare for retirement and meet other financial goals	December 14, 2010	
Education	United Way of Marion County (FL)	\$19,564	24 mos.	The United Way of Marion County will conduct a two-year campaign to break down the barriers to participation in the Marion County Prosperity Campaign by Spanish-speaking residents in rural areas of the county. The project will emphasize free tax assistance for low-income Spanish-speaking clients and will provide Spanish-language Money Smart workshops. The project will be supported by a comprehensive social marketing campaign.	Meet the financial and investor education needs of underserved audiences New marketing and distribution channels	December 14, 2010	
Education	United Way of Tampa Bay (FL)	\$45,000	24 mos.	The United Way of Tampa Bay will address the pervasive use of tax refund anticipation loans in two low-income neighborhoods in the Tampa Bay area through a combination of neighbor-to-neighbor outreach, classroom education, individualized financial coaching and a social marketing campaign.	New marketing and distribution channels	December 14, 2010	
Education	United Way of Tucson and Southern Arizona (AZ)	\$115,851	24 mos.	The United Way of Tucson and Southern Arizona will build on the success of its Prosperity Center model by helping communities provide financial coaching and asset-building opportunities for low-income individuals and families through a pilot Prosperity Neighborhoods program.	Meet the financial and investor education needs of underserved audiences	December 14, 2010	
Education	United Way of West Central Mississippi (MS)	\$149,625	24 mos.	United Way of West Central Mississippi will partner with local community groups in the lower Delta region to design and provide a sustainable basic money management education program for low-income citizens.	Meet the financial and investor education needs of underserved audiences	December 14, 2010	

Exhibit A  
Approved Grants and Targeted Projects

Investor Advocacy Clinic Program, Grants Approved						
Project Type	Organization	Amount Approved	Project Term	Description	Key Priorities Addressed	Date Approved by Board
Education	Seton Hall University School of Law	\$250,000	36 mos.	The Seton Hall University School of Law will open the first clinic to offer legal services to underserved investors in New Jersey. The new clinic will strengthen the law school's dynamic alternative dispute resolution program and enhance the free legal services already offered to residents of that state. In addition, Seton Hall will reach out to community organizations to conduct student-led educational sessions to help investors learn how to avoid becoming victims of fraud.	Advance practice, policy and thought in the field of investor protection Meet the investor protection needs of underserved audiences	October 15, 2010
Education	University of Miami School of Law	\$250,000	36 mos.	The University of Miami School of Law will add an investor advocacy clinic to its clinical program expanding the opportunities for students to serve investors residing in South Florida. The school will also build on its outstanding community outreach programs to offer public seminars on investing and related issues, including detecting abuses and potential fraudulent investments.	Advance practice, policy and thought in the field of investor protection Meet the investor protection needs of underserved audiences	October 15, 2010

Exhibit A  
Approved Grants and Targeted Projects

Targeted Projects Approved						
Project Title	Target Audience	Amount Approved	Project Overview	Key Priorities Addressed	Date Approved by Board	
<b>Military Financial Education Project</b>	U.S. military servicemembers and their families	Additional \$3,022,754	The Foundation will continue implementing a three-pronged model comprising research, partnerships and outreach to deliver high-quality information and tools to U.S. military servicemembers and families. 2011 initiatives include the publication of research, redevelopment of the project website and cultivation of new partnerships. We will also expand our train-the-trainer initiatives and continue outreach through face-to-face forums and other military events. Finally, we will continue building awareness of the campaign through earned media, paid advertising and outreach to leadership.	Meet the financial and investor education needs of underserved audiences	December 14, 2010	
<b>Investor Protection Campaign</b>	Investors age 55 and over	Additional \$4,250,020	In 2011, the Foundation will follow a consistent overall strategy, while engaging additional state and national partners to further our reach to more senior investors nationwide. We will work launch a national research center on the prevention of financial fraud and continue our research on victim susceptibility. We will also test the campaign's program messaging and complete a redesign of the project website. Further, we will continue to distribute and build upon existing educational resources, including the curriculum, toolkit and documentary.	Advance practice, policy and thought in the field of investor protection Meet the investor protection needs of underserved audiences	December 14, 2010	
<b>Teen Financial Literacy Project</b>	Young adults in grades 7 through 12	Additional \$648,700	The Foundation, Channel One and the Consumer Federation of America will expand the roll-out of <i>Generation Money: Improving the Financial Literacy of America's Teens</i> during the first and second quarters of 2011, with production assistance from CBS News. The project is intended to improve knowledge of select, fundamentally important financial literacy concepts among American teenagers, and to provide them with the skills to apply these concepts to everyday financial decision-making. The plan leverages deliverables prepared during the first two years of the project, incorporates new narrative elements, includes the creation and distribution of a second instructional poster, and makes use of Channel One's various multimedia distribution mechanisms directly to schools.	Empower the nation's young people to meet financial goals New marketing and distribution channels	October 15, 2010	

FINRA Investor Education Foundation  
 Report to the SEC of the Global Settlement Funds  
 For the Quarter and Year Ended December 31, 2010

Exhibit B, Grant Proposals and Project Concepts Declined

General Grant Program, Grant Proposals Declined October 15, 2010														
Project Information														
Number	Project Type	Organization	Project Principal	Amount Requested	Project Duration	State	Title/Description	Not within Guide-lines	Insufficient or Inappropriate:					
2009-06-068	E	Alzheimer's Association	Angela Geiger	\$685,040	36 mos.	IL	Alzheimer's Association <i>Financial and Long-Term Care Planning Education Program</i> : Develop and implement a national financial and long-term care education program.	Applicant Ineligible	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-09-011	E/R	Polytechnic Institute of New York University	Philip Maymin	\$179,655	17 mos.	NY	<i>Behavioral Personal Finance</i> : Create a research-based tool that enables an individual to explore the entire universe of investor behavior rules to find the ones that most closely resemble the user.	Project Ineligible	Proprietary Elements					
2010-09-032	E	Rutgers University	Kathleen Marrs	\$560,000	42 mos.	NJ	<i>Money Talks: Building a Brighter Future - Phase II</i> : Scale up a Foundation-funded project to reduce recidivism by providing financial education and counseling to probationary individuals.			X	X	X	X	
2010-09-040	R	Texas Tech University	Michael Finke	\$101,800	20 mos.	TX	<i>An Evaluation of Risk Tolerance Assessment Tools</i> : Assess the validity of individual risk tolerance questions as predictors of deviation from existing portfolio allocation during a period of falling equity prices.					X	X	

Exhibit B  
Grant Proposals and Project Concepts Declined

General Grant Program, Grant Proposals Declined October 15, 2010													
Project Information													
Number	Project Type	Organization	Project Principal	Amount Requested	Project Duration	State	Title/Description	Applicant Ineligible	Project Ineligible	Proprietary Elements	Not with in Guide-lines	Insufficient or Inappropriate:	
2010-09-055	R	DePaul University	Keith Gamble	\$331,500	24 mos.	IL	<p><i>Increasing the Tax Efficiency of Investors' Mutual Fund Selections:</i> Explore the extent to which individual investors are tax savvy when selecting mutual funds, and the extent to which individual investors would lower the tax costs of their mutual fund selections by seeking professional advice.</p> <p><i>Steps Forward: Living Well in Later Years:</i> Create and distribute a brochure for adults considering the transition to retirement, including key topics such as long-term care, reverse mortgages, preventing elder abuse and scam prevention.</p>		X				<input type="checkbox"/> Outreach <input type="checkbox"/> Purpose <input type="checkbox"/> Qualifications <input type="checkbox"/> Project Design <input type="checkbox"/> Deliverables <input type="checkbox"/> Infrastructure
2010-09-101	E	Better Business Bureau of Metropolitan New York	Claire Rosenweig	\$170,000	24 mos.	NY							<input type="checkbox"/> Outreach <input type="checkbox"/> Purpose <input type="checkbox"/> Qualifications <input checked="" type="checkbox"/> Project Design <input checked="" type="checkbox"/> Deliverables <input type="checkbox"/> Infrastructure

Exhibit B  
Grant Proposals and Project Concepts Declined

General Grant Program, Project Concepts Declined October 15, 2010														
Project Information														
Number	Project Type	Organization	Project Principal	Amount Requested	Project Duration	State	Title/Description	Not within Guide-lines	Insufficient or Inappropriate:					
2009-12-002	E	American Public Media	Laurie Selik	\$710,000	24 mos.	MN	<i>Investor Education Powered by Marketplace:</i> Increase the impact of Marketplace's personal finance reporting.	Applicant Ineligible	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-06-099	E	Saint Augustine's College	Nadine Ford	\$166,420	12 mos.	NC	<i>Wise Investments and Savings Education Program:</i> Provide financial education for college students, with the goal of reducing student loan burdens.	Project Ineligible	Proprietary Elements	Withdrawn				
2010-09-001	E	Extracur.org	Markus Jakobsson	\$0	4 mos.	CA	<i>An Active Approach to Fight Pump-and-Dump Scams:</i> Develop and test messages and delivery approaches that actively alert investors to new pump-and-dump scams.	X				X		
2010-09-002	E	Early Investors Incorporated	Nislo B. Galvao	\$62,000	6 mos.	MA	<i>Pilot Program:</i> Create a new financial education curriculum for high school students and lobby the state to include the curriculum as a mandatory requirement for graduation.			X		X	X	
2010-09-003	E	Twin Cities Public Television	James Pagliarini	\$750,000	36 mos.	MN	<i>Finance Over Fifty: Next Avenue Financial Content:</i> Develop online content as part of a multimedia project to provide comprehensive investor education for Americans 50 and older.		X		X			
2010-09-004	E/R	Prairie View A&M University	M. Moosa Khan	\$50,000	24 mos.	TX	<i>Promoting Financial Literacy among the Underserved Population of Waller County, Texas:</i> Establish a Center for Financial Education at the Prairie View A&M University.	X		X	X			X
2010-09-005	E	Anchorworks	Mr. Peter Messina	\$11,621,667	240 mos.	GA	<i>Project Investors' Edge:</i> Design a series of campaigns to communicate investment and financial themes to the public.	X		X		X	X	X

Exhibit B  
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Project Information																			
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								Applicant Ineligible	Purpose										
								Project Ineligible	Outreach										
								Proprietary Elements	Qualifications										
									Project Design										
									Deliverables										
									Infrastructure										
2010-09-006	E	Prayer House	Mr. Ivan McCrae	\$1,000,000	12 mos.	OR	Suseji Charter School: Provide life skills training, including budgeting and financial management, to at-risk youth in grades K-12.	X	X	X	X								
2010-09-007	E	Hip-Hop Research and Education Fund	Benjamin Chavis	\$1,000,000	24 mos.	NY	Get Your Money Right: Investment Education for the Hip Hop Community: Develop financial and investor education tools and programs for African-American and Hispanic young adults.												
2010-09-008	E	Credit Card Management Services, Inc.	Mohan Lalwani	\$30,000	12 mos.	FL	Home Equity Conversion Mortgage Counseling Program: Provide home equity conversion mortgage counseling for seniors in West Palm Beach.		X										
2010-09-009	E	Camp Courant, Inc.	Elizabeth Gibbs	\$10,000	3 mos.	CT	Finance Is Fun!: Provide financial literacy education for children at summer camp.			X									
2010-09-010	E	Milenio Latino Institute, Inc.	Tomas Alberto Avila	\$225,000	24 mos.	RI	Hispanic Investment Empowerment: Planning Our Financial Future: Conduct a campaign to promote the importance of investor education to the Hispanic community.			X									X
2010-09-012	E	Hidden Links	Darius Jones	\$150,000	12 mos.	SC	KidCapital: Provide financial education for at-risk youth through afterschool programs in Greenville County.			X									X
2010-09-013	E	Lakeshore Alliance for Student Success, Inc.	Edward Schoenfelt	\$6,985	3 mos.	IN	LASS, Inc. Senior Stock Market Game: Enable high school seniors from 15 schools to participate in The Stock Market Game™			X									X
2010-09-014	E/R	Auburn Mountain Financial Education Services Corporation	James M. Robinson	\$610,456	14 mos.	MD	Auburn Mountain's Compliant Online Social Networking Environments: Develop online social networks for financial services professionals.	X			X								



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General Grant Program, Project Concepts Declined October 15, 2010																
Project Information																
Number	Project Type	Organization	Project Principal	Amount Requested	Project Duration	State	Title/Description	Not within Guide-lines	Insufficient or Inappropriate:							
								Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-09-015	E	The SuAnne Big Crow Boys & Girls Club Library	Chuck Rowe	\$50,000	12 mos.	SD	<i>Financial Responsibility and Money Education:</i> Provide financial education and job search assistance for Native American adults and youth on the Pine Ridge Reservation.				X	X	X		X	
2010-09-016	E	Borough of Manhattan Community College Foundation, Inc.	Marva Craig	\$168,015	12 mos.	NY	<i>MoneyWorks:</i> Provide financial education and work to increase student engagement in extracurricular activities at BMCC.	X			X	X	X		X	
2010-09-017	E	YMCA of Greensboro, Inc.	Nancy Calkins	\$15,000	24 mos.	NC	<i>YMCA Financial Development Seminars:</i> Provide educational seminars on financial topics.					X		X		
2010-09-018	E/R	Southern Vermont College	Karen Gross	\$325,000	36 mos.	VT	<i>A College and a Community Collaborate to Create a Fiscally Literate Town:</i> Collect and evaluate assessments used to measure financial competencies, and provide financial education opportunities for the local community.				X	X		X		
2010-09-019	E	Community Center of St. Bernard	RM Iray Nabatoff	\$7,000	10 mos.	LA	<i>Financial Basics for Low-Income Families:</i> Offer the FDIC Money Smart program to 2,500 low-income families in St. Bernard Parish.					X		X		
2010-09-020	E	NAIC - Better Investing	Ruthann Varosi	\$392,000	12 mos.	MI	<i>Building Wealth:</i> In partnership with DECA, provide financial education training and technical support for 150 public and private high school teachers throughout Michigan.		X			X		X		
2010-09-021	E	Focus Foundation	Skip Cowan	\$163,000	12 mos.	NM	<i>Focus on the Future:</i> Expand the distribution of a financial literacy webcast program for young adults.					X		X		
2010-09-022	E	Hopkins House - A Center for Children, Youths and Families	J. Glenn Hopkins	\$15,000	6 mos.	VA	<i>The Money Project:</i> Provide 60 low-income mothers of small children with a six-month series of financial education workshops.					X				X

Exhibit B  
Grant Proposals and Project Concepts Declined

General Grant Program, Project Concepts Declined October 15, 2010															
		Project Information				Not within Guide-lines			Insufficient or Inappropriate:						
Number	Project Type	Organization	Project Principal	Amount Requested	Project Duration	State	Title/Description	Applicant Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-09-023	ER	Texas State University - San Marcos	Kimberlee Davis	\$400,000	36 mos.	TX	Financial Well-being for Texas Educators Initiative: Provide financial and investor education programming tailored to the needs of participants in the Teacher Retirement System of Texas.				X	X	X	X	
2010-09-024	E	Florence-Darlington Technical College Educational Foundation	Jill Heiden	\$74,500	12 mos.	SC	The Small Business Investment and Development Program: Assist small business owners with developing effective entrepreneurial investment strategies.			X	X				
2010-09-025	ER	Eastern Kentucky University	Zekenya Eser	\$300,000	36 mos.	KY	The Center for Financial Literacy at Eastern Kentucky University: Train students and community leaders to become certified financial literacy instructors.								
2010-09-026	E	Junior Achievement of Berks County, Inc.	Robin Costenbader-Jacobson	\$40,000	24 mos.	PA	Junior Achievement Presents: The NEFE High School Financial Planning Program: Provide financial education for high school students in Berks County for two years.				X				
2010-09-027	E	Appripen Financial Advocates/CCCS, Inc.	Rebeca Castro	\$50,000	12 mos.	FL	Appripen Financial Literacy Project: Continue to provide basic financial education to residents of Miami-Dade and Broward counties.	X			X				
2010-09-028	E	Korean American Community Services	Inchul Choi	\$60,000	12 mos.	IL	Financial Smarts Project for Korean Immigrant Women: Provide financial education and financial coaching for Korean women in Chicago.				X		X	X	
2010-09-029	R	Scripps College	Stacey Wood	\$100,000	24 mos.	CA	The role of numeracy in plan choice, open enrollment, and risk tolerance related to the Medicare prescription drug plan: Examine factors that influence Medicare prescription drug benefit plan decisions by seniors.			X					
										Withdrawn					

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								Applicant Ineligible	Project Ineligible										
								Proprietary Elements	Purpose										
								Outreach	Qualifications										
								Project Design	Deliverables										
								Infrastructure											
2010-09-030	E	Green Forest Community Development, Inc.	Ralph E. While, Sr.	\$40,000	24 mos.	GA	Green Forest Financial Education Counseling: Expand an existing financial education program for low-income residents of Decatur.		X										
2010-09-031	E	Legal Services of Northern California	David L. Mandel	\$125,000	24 mos.	CA	Preparing for a Secure Retirement: Expand the services of the Senior Legal Hotline to include general advice and referrals on issues related to financial planning for retirement.		X	X									
2010-09-033	E	Bubbles The Clown Education Organization	David Felzenberg	\$45,000	12 mos.	MD	Uncommon Cents: Financial Literacy for Youth: Use entertaining methods to deliver financial education messages to children in the greater Baltimore area.		X										
2010-09-034	E	Stocks in the Future	Pat Bernstein	\$13,000	10 mos.	MD	Stocks in the Future Middle School Stock Program: Provide the Stocks in the Future financial education program for one class of at-risk students in the Baltimore area.		X										
2010-09-035	R	Union College	Tomas Dvorak	\$60,000	12 mos.	NY	Do Retirement Plan Consultants Face a Conflict of Interest?: Examine the role of retirement plan consultants in the design and maintenance of retirement plans.		X										
2010-09-036	E	Seekonk Public Library	Anne-Marie Klegraefe	\$84,150	36 mos.	MA	Smart Investing @ Your Library: Incorporate a focus on financial education into the library's resources, services and programs.												
2010-09-037	E	Housing and Credit Counseling, Inc.	Kellie Kemper	\$30,000	12 mos.	KS	Women and Money Series: Continue a series of financial education workshops presented by and for women in Shawnee County.												

Exhibit B  
Grant Proposals and Project Concepts Declined

General Grant Program, Project Concepts Declined October 15, 2010																
Number	Project Type	Organization	Project Principal	Amount Requested	Project Duration	State	Title/Description	Not within Guide-lines			Insufficient or Inappropriate:					
								Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-09-038	E	Increasing H.O.P.E.	Dorothea Bernique	\$15,810	12 mos.	SC	Financial Survival University and the Homeownership Club: Continue to provide basic financial and homebuyer education to low- and moderate-income residents in three counties.				X					
2010-09-039	E/R	The Center for Research in Social Policy, Worklife and Basketry, Inc.; Johns Hopkins University	Kathleen O. Beauchesne	\$203,000	24 mos.	MD	Life Span Financial Planning: A Corporate Social and Civic Responsibility: Expand distribution of the Life Span Financial Planning workshop series created for the faculty and staff at Johns Hopkins University.	X			X					
2010-09-041	E	ExcelQuest Community Development	Angela Taylor	\$70,000	24 mos.	CA	Student Investing for Success Program: Financial Education for Minority College Students: Design and implement a financial education program for students at the University of Nevada, Reno.				X			X		
2010-09-042	E	TCU Community Partnership, Inc.	J. Smith	\$100,000	36 mos.	CA	African American Financial Education: Provide basic financial literacy workshops for students at California State University of Dominguez Hills.				X					
2010-09-043	E	Pasadena Development Corporation, Inc	Keith Rogers	\$100,000	36 mos.	CA	Empowering Women & Minority Small Business: Investing Tactics & Retirement Strategies Literacy Classes: Provide investing strategies for women and minority small business owners in the San Gabriel Valley.				X			X		
2010-09-044	E	Shepherd University	Jacob KiWon Chung	\$85,000	36 mos.	CA	Income, Net Worth, Value, Equity, and Sustainable Trading (INVEST) Online Game for Youth: Create, market and evaluate an online investing game for youth and young adults.				X			X		
2010-09-045	E	Words Beats & Life	Mazi Mutata	\$15,000	12 mos.	DC	The DC Urban Arts Academy: Expand an afterschool program for DC youth.					X				

Exhibit B  
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General Grant Program, Project Concepts Declined October 15, 2010																
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2010-09-046	E	RESOURCE, Inc.	Betsy McMillan	\$80,000	24 mos.	MN	Stepping Forward Project: Create an investor education curriculum for low-income women, and conduct a pilot test with 20 families.					X	X	X	X	
2010-09-047	E	Inova Health System Foundation	Daniel Nichols	\$300,000	12 mos.	VA	Military to Medicine Financial Education Program: Develop an online financial educational course for military service members.				X		X			
2010-09-048	E/R	Idaho State University	Charles R. Zimmerman	\$175,000	24 mos.	ID	Financial Management Behaviors and Attitudes of University Freshman: Create and deliver online financial education classes for students at Idaho State University.					X		X	X	
2010-09-049	E	Cornell Cooperative Extension of Sullivan County	Joe Walsh	\$30,000	36 mos.	NY	Volunteer Family Budget Education Program: Train volunteers in Sullivan County to provide financial education workshops and one-on-one financial counseling.					X	X	X		
2010-09-050	E	Junior Achievement of Silicon Valley and Monterey Bay	Steve J. Tedesco	\$75,000	12 mos.	CA	Money Matters - Financial Literacy: Provide financial education programming for K-12 students in Santa Clara County.					X		X		
2010-09-051	E/R	ESU Center for Research and Economic Development	Sharone Glasco	\$185,000	24 mos.	PA	Lifelong Entrepreneurial Education Program: Offer financial education opportunities for the East Stroudsburg University community, and research the impact of financial literacy and decision-making tools on young adults.			X	X	X		X		
2010-09-052	E	Hip-Hop Research and Education Fund	Lynn Richardson	\$75,000	12 mos.	NY	Get Your Money Right, Now: Investment Education for Hip Hop Teens: Conduct hip hop investment boot camps for high school students in Chicago and New York, and develop public awareness outreach for the hip hop community.						X	X		X

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2010-09-053	E	Wayne Metropolitan Community Action Agency	Jennifer Lepard	\$150,000	36 mos.	MI	WMCAA Asset Development and Financial Education for Persons with Disabilities Program: Develop and implement a benefits literacy program for people with disabilities.			Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-09-054	E	Operation HOPE, Inc.	Mary Hegerly	\$50,000	12 mos.	VA	Banking on Our Future: Expand the Banking on Our Future program in Washington, DC.			Proprietary Elements	Project Ineligible			
2010-09-056	R	The Financial Innovations Center, Inc.	Jennifer Tescher	\$500,000	24 mos.	IL	The Financial Capability Innovation Initiative: Evaluate innovative projects supported by CFSI that aim to better serve un- and under-banked consumers.							
2010-09-057	E	Catholic Charities Archdiocese of New Orleans	Brian Gorman	\$75,000	12 mos.	LA	Invest in Your Family's Future: Hire a financial education instructor to conduct outreach and programming for seven community centers in the greater New Orleans region.							
2010-09-058	E	Family, Career and Community Leaders of America, Inc.	Michelle Flinton	\$150,000	24 mos.	VA	FCCLA Financial Fitness Investor Education: Revise the FCCLA Financial Fitness program, and deliver a one-day train-the-trainer session to FCCLA teachers and students.							
2010-09-059	E	Spanish Catholic Center, Inc.	Julietta Machado-Pacanins	\$25,000	12 mos.	DC	Employment Services Program, Financial Literacy Training: Add a part-time staff person to expand an existing employment training and job placement program to include financial education.							
2010-09-060	E	TREASURES, d.b.a. Missouri Business Development Group	Lisa Zimmerman	\$300,000	36 mos.	MO	Financial Empowerment Project of Southwest Missouri: Provide asset development case management and credit repair in southwest Missouri.							

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2010-09-061	R	University of Houston	Xin Ding	\$240,000	24 mos.	TX	<i>Intervention Strategies to Prevent Investment Biases for Pre-Retirees:</i> Examine the effectiveness of different intervention strategies in reversing the investment biases for pre-retirees.			Outreach Qualifications Project Design Deliverables
2010-09-062	E	UFIFAS Extension Service	George L. Harrison	\$1,000	1 mo.	FL	<i>The 4-H Money Mystique Day Camp:</i> Conduct a day camp focused on money management for teens and pre-teens in five Florida counties.			X
2010-09-063	E/R	New York Stock Exchange	Ralph W. Baker, Jr.	\$750,000	24 mos.	NY	<i>Financial Literacy... What the Community Needs to Know:</i> Teach basic investor education to adults and young people in underserved communities in New York City.	X		X
2010-09-064	E	The University of Tennessee Extension	Ann Berry	\$100,000	24 mos.	TN	<i>Senior Survival Simulation:</i> Develop financial education simulations for investors nearing retirement.			X
2010-09-065	E	New Jersey Health Care Employers - AFSCME Training and Development Fund	Stephanie Harris-Kulper	\$150,000	27 mos.	NJ	<i>Saving, Investing and Money Management for a Better Future:</i> Develop a financial education program for "hard to reach" and underserved union members.			X
2010-09-066	E/R	DePaul University	Karim Pakravan	\$400,000	18 mos.	IL	<i>Enhancing Financial Stability in Chicago's Underserved Communities:</i> Increase the delivery of financial services and education to underserved residents of Chicago.			X
2010-09-067	E	Council for Economic Education	Christopher Caltabiano	\$227,125	12 mos.	NY	<i>Learning, Earning and Investing Curriculum Revision, Supporting Gen i Revolution:</i> Revise the LEI curriculum to correlate lessons to Gen i Revolution and align with recently revised content standards in personal finance and economics.			X

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2010-09-068	E/R	North Carolina Institute of Minority Economic Development	Andrea Harris	\$500,000	48 mos.	NC	Higher Education Initiative for Minority Serving Institutions: Provide financial education for students attending HBCUs and a Native American University in North Carolina.		X											
2010-09-069	E	Junior Achievement of Sacramento, Inc.	Susan Vicchio	\$65,000	10 mos.	CA	High School Financial Literacy Initiative: Provide Junior Achievement programming for high school students in Sacramento.		X											
2010-09-070	E	Central Vermont Community Action Council, Inc.	Mary Niebling	\$80,000	24 mos.	VT	Invest Initiative: Investor Education and Support for Vermont's Rural Microenterprise Community: Create an investor education program for 150 low-income micro-entrepreneurs.		X											
2010-09-071	E	Spalding University	Judy Luther	\$100,000	36 mos.	KY	Develop Our Leaders and Learners to Achieve Resource Success (DOLLARS): Expand and evaluate a financial education program for Spalding University students.		X											
2010-09-072	E/R	Institute for Socio-Financial Studies	Lois A. Vitt	\$275,000	18 mos.	VA	Consumer Housing Options and Decision-Making: Strengthening Housing Topics in Financial and Investor Education Programs: Investigate the impact of homeownership education in financial education programs.		X											
2010-09-073	E	University of Florida	Michael S. Guttler	\$379,890	24 mos.	FL	Investor Education for Bilingual Hispanic Families in Florida: Create and deliver a bilingual financial and investor education program for low-income Hispanics in Florida.													



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								Project Design	Deliverables						
								Infrastructure							
2010-09-074	E	South Florida Urban Ministries	Brent McLaughlin	\$250,000	18 mos.	FL	United Way Center for Financial Stability's Financial Stability Program for Nonprofit Staff & Volunteers: Provide financial education for the staff and volunteers of nearly 100 nonprofit and community organizations in South East Florida.		X						
2010-09-075	E/R	The Financial Clinic	Mae Watson Grote	\$160,000	10 mos.	NY	Peer Lending Circles: Asset Accumulation Driven through Socially Distributed Willpower: Contribute to the body of knowledge about peer lending circles and the value of rotating savings and credit associations to the working poor.		X		X				
2010-09-076	E	LeMoyne Owen College Community Development Corp.	Katherine W. Causey	\$100,000	18 mos.	TN	Financial Empowerment Training Program: Provide financial education for low-income, un- or under-banked residents of Memphis.				X				
2010-09-077	E	Providence, sponsored by Congressional District Programs, Inc.	Jerry Troyer	\$1,266,825	12 mos.	CA	4F - Freedom from Financial Frustration: Expand a financial education program for recovering addicts in San Diego.				X		X		
2010-09-078	E/R	Delta State University/Center for Community and Economic Development	Deborah Moore	\$250,000	24 mos.	MS	Mississippi Community Financial Access Coalition: Promote financial education, economic inclusion and consumer protection to individuals and families in Mississippi.				X			X	
2010-09-079	E	Bay Aging	Vincent Smith	\$100,000	24 mos.	VA	Bay Family Housing Financial Literacy Program: Develop and implement a financial education program for the underserved residents of a rural 10-county area of Virginia.						X		
2010-09-080	E	Economics Center for Education & Research	John Morris	\$40,000	15 mos.	OH	Investment Video Challenge: Engage students in grades 4-12 in investment education through an interactive, technology-based contest.								X

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2010-09-081	E/R	The College of Wooster	Lisa L. Verdon	\$150,000	12 mos.	OH	Financial Literacy Project for Wayne County, Ohio: Provide financial education opportunities for under-served groups in the community.				X								
2010-09-082	E	United Way of Kenosha County, Inc.	Katherine Marks	\$150,000	24 mos.	WI	Make Your Money Talk: Building Economic Strength through Financial Awareness: Expand the financial education offerings of the Financial Stability Partnership in Kenosha County.				X								X
2010-09-083	E	Old Dominion University Educational Foundation	Michael Dugan	\$550,000	10 mos.	VA	Essential Financial Literacy for U.S. Navy Personnel: Develop a computer-based financial education program for U.S. Navy enlisted personnel.												X
2010-09-084	E	Junior Achievement of Middle Tennessee, Inc.	Rachel Dyer	\$5,000	9 mos.	TN	Junior Achievement's JA Biz Town: Implement a six week financial education program for fifth graders, including a one-day experiential workshop in a replica town.												X
2010-09-085	E/R	University of Oklahoma Outreach	Randall M. Doerneman	\$250,000	24 mos.	OK	Invest Ed® - Protocol and Practice for Senior Investor Protection: Produce research-based resources to reduce elder financial abuse.												X
2010-09-086	E	Seattle Central Community College Foundation	Kristina Hayek	\$608,120	24 mos.	WA	Financial Literacy Certificate Program: For the High School, Higher Education and Community Adult Populations: Create and implement a bilingual financial literacy certificate program.												X
2010-09-087	E	YWCA Maricopa County	Dana Campbell Saylor	\$75,000	36 mos.	AZ	YWCA Own It! Financial Education Program: Provide financial education and mentoring for low-income women in Maricopa County.												X

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2010-09-088	E	The Levin Institute of the State University of New York	Thomas Moebus	\$283,350	36 mos.	NY	<i>Bootstrapping without Bankrupting Your Future:</i> Design a financial education program for entrepreneurs.						X		X			
2010-09-089	E/R	Oakland University	Austin Murphy	\$223,000	12 mos.	MI	<i>Expanding Understanding and Access to Credit Analysis Models:</i> Encourage the development and implementation of new approaches to credit evaluation. Educate business owners on credit risk and the methodology used for credit analysis.				X							
2010-09-090	E	East Baton Rouge Council on Aging, Inc.	Johnny Dykes	\$500,000	36 mos.	LA	<i>East Baton Rouge Parish Senior Citizens Financial Scam Awareness &amp; Empowerment Campaign:</i> Develop a financial scam awareness campaign for seniors and their care givers.						X			X		
2010-09-091	E	Community Self Empowerment and Employment Program	Rosa Anna Chiappetta	\$30,000	10 mos.	PA	<i>The CSEEP Financial Literacy Initiative:</i> Provide financial education as part of a job training program in Philadelphia.						X		X	X		
2010-09-092	E/R	Auburn University	Valentina Hartarska	\$150,000	36 mos.	AL	<i>Financial Education for High School Students in Rural and Urban Alabama:</i> Identify gaps in student knowledge about retirement savings and create materials to promote investor education to high school students in Alabama.						X		X			
2010-09-093	E	The EARTHS	Quibila A. Divine	\$9,490	12 mos.	PA	<i>Partners in Power (PIP):</i> Provide financial education opportunities for low- and middle-income parents in the Philadelphia area.						X					

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2010-09-094	E	The Perico Institute for Youth Development and Entrepreneurship, Inc.	Johnnie M. Hawkins	\$320,960	18 mos.	MS	The Youth Asset Development and Learn and Save' IDA Program Using Social Media: Use multimedia strategies to promote financial education and to change attitudes and behaviors about saving.					X		X		
2010-09-095	E	YouthBiz, Inc.	Jason Torrez	\$2,500	3 mos.	CO	Tier II - YouthBiz Advanced: Launch an incentive-based, peer-to-peer program on financial literacy, college preparation, career exploration, personal goal setting, and leadership development.					X				
2010-09-096	R	Morin Center for Banking and Financial Law, Boston University	Cornelius K. Hurley	\$40,000	4 mos.	MA	Money Market Mutual Funds: The Effect of Moving to a Floating NAV on the American Saver. Analyze the history of the money market mutual fund, review the September 2008 crisis that prompted Federal review, and analyze the impact of new rules released by the SEC.							X	X	
2010-09-097	E/R	UC Santa Cruz Institute for International Economics	Michele David	\$100,000	12 mos.	CA	Program Support: Annual International Economics Conference: Support all aspects of an annual conference for 80-100 economists.		X							
2010-09-098	E/R	Hindssight (sic) 2020	Susan M. Hinds	\$393,000	24 mos.	IN	Decipher the Sea: How to Fish for Relevant Financial Facts, Figures, and Forecasts: Implement a three-part program to increase investor transparency.			X				X	X	
2010-09-099	E/R	CoAbode House-Sharing	Natalie Pace	\$120,000	4 mos.	CA	Prefly Smart Financial Curriculum Forum: Co-host investor education forums in 32 U.S. cities for college-age women.		X					X		X

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2010-09-100	E/R	National Urban League	Cy Richardson	\$450,000	36 mos.	NY	Addressing the Growing Number of Under-Banked African Americans: Explore the knowledge, attitudes and behaviors of un- and under-banked African Americans that affect their decision-making around payday loans. Use the research findings to advocate for better consumer protection policies that facilitate mainstream market participation.	Applicant Ineligible Project Ineligible Proprietary Elements	Purpose Outreach Qualifications Project Design Deliverables Infrastructure
								X	X

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2010-12-001	E	Springhill-Freepport Elementary School	Susan Christopher	\$62,600	9 mos.	PA	<i>Fast Forward (sic) Program: Purchase computers and user licenses for a pilot elementary school reading program.</i>	X								
2010-12-002	E	Iowans for Social and Economic Development Ventures	Debra Carr	\$150,000	12 mos.	IA	<i>Bank to Basics: Provide basic financial and investor education for women and minorities in Iowa.</i>	X			X					
2010-12-003	E	Consumer Credit Counseling Services of Forsyth County	Debbie Hall	\$200,000	24 mos.	NC	<i>Financial Education &amp; Money Management for Elderly Consumers: Provide financial education and fraud awareness programs for senior citizens in Forsyth County, NC.</i>		X		X	X		X		
2010-12-004	E	Family Service Centers, Inc.	Dave Dougherty	\$50,000	12 mos.	AL	<i>Economic Empowerment for Survivors of Domestic Violence: Provide financial education for residents of a domestic violence shelter in Huntsville, AL.</i>					X		X		
2010-12-005	E	North Carolina Department of Public Instruction	Tracey Greggs	\$250,000	12 mos.	NC	<i>Finesse Your Financial Future: Provide financial education training, resource materials and activities to students, teachers, parents and community members across North Carolina.</i>	X	X		X	X		X		
2010-12-006	E	Habitat for Humanity of Greater Stark & Carroll Counties	Beth Davidson	\$10,200	24 mos.	OH	<i>Empowering Habitat for Humanity Families: Provide financial education for up to 60 families who qualify for Habitat for Humanity homes.</i>		X			X		X		
2010-12-007	E/R	Sam Houston State University	Kristy Vienne	\$72,000	12 mos.	TX	<i>Finsync Collaborative Education Program: Conduct a five-day training program for university administrators from 25 universities to discuss best practices for establishing campus financial education programs.</i>	X			X	X		X		X

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2010-12-014	E	Arete Fund/Tides Center	Nick Penniman	\$100,000	12 mos.	DC	Move Your Money Project: Manage a coalition of partner organizations that advocate moving personal savings from the nation's largest banks into local financial institutions.	X	X		X			X		
2010-12-015	E/R	Singles Network Marketing Corporation	Robert Carpenter	\$500,000	6 mos.	CA	SinglesNetwork.com: Complete and launch an online dating website.	X	X							
2010-12-017	E	National Institute of Financial Education	Todd Ballenger	\$250,000	12 mos.	NC	NIOFE Website Development and Support: Create an online financial and consumer education resource center.	X			X					
2010-12-018	E/R	San Francisco Urban Community Housing Corporation	Greg Pennington	\$10,000	--	CA	First Time Homebuyer Workshops: Conduct monthly mortgage and loan process workshops for low to moderate income first time homebuyers.				X					
2010-12-019	E	InvestEd Incorporated	Pam Wright	\$43,700	12 mos.	NY	InvestEd Newbie Program, May 2011: Promote and support a program for novice investors at the 2011 InvestEd Conference.		X		X			X	X	
2010-12-020	E	MFS Investment Management	Robert Pozen	--	--	MA	Financial Makeover: Produce a weekly television show that features a makeover of the finances of a typical American family.			X	X				X	
2010-12-021	E/R	National Institute on Retirement Security Research and Education Fund	Ilana Bovie	\$100,000	12 mos.	DC	Helping Americans Build a Secure Retirement: Promote the creation of retirement plans that incentivize employees to save for retirement at every phase of their working life.				X			X	X	
2010-12-022	E	Clark Atlanta University	John H. Young	\$4,000	4 mos.	GA	CAU School of Business Stock Market Challenge: Promote and execute the Stock Market Challenge to increase CAU student's understanding of financial markets.					X				X

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2010-12-023	E	Young Movement, Inc.	Micah Owino	\$40,000	12 mos.	NY	Young Movement College Chapter at Brooklyn College: Start a personal financial education program for students at Brooklyn College.					X		X		
2010-12-024	E	Economic Partners in Change	Brent Smith	\$10,000	12 mos.	CA	Youth Financial Literacy Program: Provide financial and entrepreneurship education for college-bound high school students at one high school in Auburn, CA.				X	X		X		
2010-12-025	E/R	International Child Art Foundation	Ashfaq Ishaq	\$77,000	1 month	DC	Financial Literacy Workshops at the World Children's Festival 2011: Sponsor financial education events at the World Children's Festival on the National Mall, June 17-19, 2011.				X	X				
2010-12-026	E	Shippensburg University Students in Free Enterprise	Katie Klinger	\$3,000	9 mos.	PA	Volunteer Income Tax Assistance: Financial Literacy: Provide financial education for clients of the local Volunteer Income Tax Assistance program.					X				
2010-12-027	R	University of Houston	Ryan Kennedy	\$300,000	24 mos.	TX	The Integrity Index: Quantifying Risk for Securities Fraud and Credit Downgrades: Develop and test an index to predict when a company is at risk for securities fraud or a downgrade of its credit rating, and release an "Integrity 500" rating.				X		X	X	X	
2010-12-028	E	Anchorworks	Peter Messina	\$11.6 million	20 yrs.	GA	Investor Ops: Conduct a nationwide public communications campaign to promote the value of saving and investing.	X	X							



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2010-12-029	E	MPowering Kids	Devorah Cruper	\$5,000	12 mos.	NY	MPowering Kids Financial Futures Project: Provide financial education for 51 low-income, first-generation, college-bound middle and high school students.	Applicant Ineligible	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
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2010-L-06	Hutchinson Public Library	\$9,130	24 mos.	KS	<i>Do I Have to Work Until I Die: Investing in Uncertain Times.</i> Offer five-week courses on basic money management and saving for retirement with the assistance of a local community college.														
2010-L-07	Cumberland County Public Library	\$100,000	20 mos.	NC	<i>Live &amp; Learn:</i> Build a financial literacy website, train staff, and offer programs to low-income women.														
2010-L-09	Baltimore County Public Library	\$100,000	12 mos.	MD	<i>Smart Investing through the Ages:</i> Train staff and offer seminars for all age groups to increase knowledge about saving and investing.														
2010-L-10	Taos Public Library	\$68,000	12 mos.	NM	<i>Financial Literacy for Taos:</i> Provide 10 basic investor education seminars in English and Spanish.														
2010-L-11	Prince George's County Memorial Library System	\$69,850	21 mos.	MD	<i>Common Cents@Your Library:</i> Provide financial literacy workshops for young families.														
2010-L-12	Lycoming County Library System	\$100,000	24 mos.	PA	<i>Financial Awareness!</i> Feature working families in the local media as they engage in financial education and solve their money challenges.														
2010-L-13	Niles Public Library District	\$50,206	15 mos.	IL	<i>Teens Make Cents:</i> Collaborate with University of Illinois Extension to provide hands-on personal finance learning experiences for teens.														

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2010-L-15	Live Oak Public Libraries	\$100,000	24 mos.	GA	Financial Education Assistance from Your Library: Partner with the local consumer credit counseling service to provide online and in-person sessions on basic personal finance topics.														
2010-L-17	Jackson County Library	\$24,200	12 mos.	AR	Fables & Fortunes@your library: Use theater to engage children and teens in an exploration of financial concepts.														
2010-L-18	Westfield Washington Public Library	\$9,809	12 mos.	IN	Library Investment Club: Form an investment club for novice investors at the library.														
2010-L-19	Silas Bronson Library	\$38,252	11 mos.	CT	Financial Wellness: Provide bilingual money management classes in partnership with the Connecticut Society of CPAs and others.														
2010-L-20	Hennepin County Library	\$91,950	24 mos.	MN	Smart Investing for Adults 25-45: Develop content for media tools, videos, and print materials on financial management, to be integrated into a local public broadcasting program.														
2010-L-21	Rockland Public Library	\$100,000	24 mos.	ME	Money Matters across Life Stages: Host money management courses conducted throughout the county by a local asset development agency.														
2010-L-23	Daniel Boone Regional Library	\$27,552	22 mos.	MO	Financial Literacy Speaker Series: Create a financial literacy speaker series and augment the library's personal finance collections.														

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						Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure					
2010-L-24	Public Library of Cincinnati and Hamilton County	\$36,549	12 mos.	OH	Teen Budget Bonanza: Provide four-hour money management workshops for teens about to enroll in college.	x			x										
2010-L-25	Howard County Library	\$82,400	24 mos.	MD	Money Matters: Host a "money matters" community fair and sponsor classes, author events, and online tutorials related to personal finance.						x								
2010-L-27	Baxter County Library	\$14,035	24 mos.	AR	Get Your Financial House in Order: Upgrade and expand the library's personal finance and investing collections.							x							
2010-L-28	Elko County Library	\$45,000	12 mos.	NV	Get to Know Your Money: Provide basic money management workshops for children and adults.														
2010-L-29	Elmhurst Public Library	\$34,630	18 mos.	IL	Explore Finances, Learn Investing, Grow a Nest Egg: Organize a series of community-wide programs about investing, suitable for novices as well as more experienced investors.														
2010-L-30	Las Vegas-Clark County Library District	\$100,000	24 mos.	NV	Fast Forward Vegas: Provide Junior Achievement programming to urban youth, as well as financial literacy sessions for adults at selected locations in the community.														
2010-L-31	Alpena County Public Library	\$30,612	12 mos.	MI	Personal Financial Literacy in Alpena County: Offer courses on basic budgeting, credit, home ownership, investing, and retirement planning.	x													

Exhibit B  
Grant Proposals and Project Concepts Declined

Smart investing@your library, Grant Proposals Declined October 15, 2010															
Number	Organization	Amount Requested	Project Duration	State	Title/Description	Not within Guide-lines			Insufficient or Inappropriate:						
						Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure	
2010-L-32	Ignacio Community Library	\$8,839	12 mos.	CO	<p><i>Money Nights:</i> Use games and other activities to teach middle school students and their families about basic budgeting.</p> <p><i>Common Certs:</i> Provide online seminars, quarterly seminars, and regularly scheduled financial literacy classes at five branches in the library system.</p>				X		X				
2010-L-33	Montgomery City County Public Library	\$99,995	24 mos.	AL	<p><i>Making \$en\$e:</i> Create a multigenerational financial literacy program to be delivered through in-library workshops, web tutorials, and virtual financial literacy classrooms.</p>					X		X			
2010-L-35	Public Library System of Beaufort County	\$99,539	24 mos.	SC	<p><i>Smart investing@RCPL:</i> Present public programs on purchasing a home, saving for college, and preparing for retirement.</p>							X			
2010-L-36	Richland County Public Library	\$21,500	10 mos.	SC	<p><i>It's Your Money:</i> Create teen-produced videos about money management, and offer personal finance presentations to the community.</p>					X			X		
2010-L-37	Howell Carnegie District Library	\$54,600	17 mos.	MI	<p><i>Read, Save, Invest!</i> Use literature to teach library patrons about saving and investing.</p>									X	
2010-L-38	Manchester Public Library	\$81,000	20 mos.	CT	<p><i>Investing@El Paso Public Library:</i> Expand the library's personal finance collections, and offer bilingual financial literacy classes for adults ages 18 and over at five branch locations.</p>										X
2010-L-40	El Paso Public Library	\$75,000	12 mos.	TX										X	X

Exhibit B  
Grant Proposals and Project Concepts Declined

Smart investing@your library, Grant Proposals Declined October 15, 2010															
Number	Organization	Project Information				Title/Description	Not within Guide-lines			Insufficient or Inappropriate:					
		Amount Requested	Project Duration	State	Applicant Ineligible		Project Ineligible	Proprietary Elements	Purpose		Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-L-41	Daphne Public Library	\$20,000	12 mos.	AL	Smart Investing@Daphne Public Library: Expand the collections and programming offered through the library's small business resource center.	X		X							
2010-L-42	Kenton County Public Library	\$68,865	24 mos.	KY	Money Steps: Learn a Little, Save a Lot: Provide library users with access to online investing databases.				X					X	
2010-L-45	Lafourche Parish Public Library	\$5,000	12 mos.	LA	Preparing for Today: Investing in Tomorrow: Expand collections and host 10 seminars on personal finance basics.	X							X		
2010-L-46	Kent Free Library	\$95,745	12 mos.	OH	Recent Retirees' Educational Service: Provide workshops, one-on-one counseling, and an online financial resource center for pre-retirees and recent retirees ages 55-64.							X		X	
2010-L-49	Bentonville Public Library	\$16,100	24 mos.	AR	Smart Investing@your library: Expand the library's personal finance collections and investing databases, and deliver public programs on household budgeting, saving for college, homebuying, and financial life skills for students.								X	X	
2010-L-51	Memphis Public Library	\$99,544	24 mos.	TN	Money Basics: Develop and deliver a financial education curriculum for low-literacy adults.								X	X	X
2010-L-52	Olathe Public Library	\$88,024	18 mos.	KS	Financial Literacy for the Olathe Community: Offer basic money management programs for at-risk teens and low-income adults.										X

Exhibit B  
Grant Proposals and Project Concepts Declined

Smart investing@your library, Grant Proposals Declined October 15, 2010																				
Number	Organization	Amount Requested	Project Duration	State	Title/Description	Project Information			Insufficient or Inappropriate:											
						Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure						
2010-L-54	Seattle Public Library	\$95,000	21 mos.	WA	Fast Start to Financial Success: Create an online financial literacy program to reach Seattle residents in their 20s and 30s.						x									
2010-L-55	Vestavia Hills Public Library	\$75,593	24 mos.	AL	Making Green, Going Green: Create exhibits and multigenerational programs emphasizing environmentally and socially responsible investing.														x	
2010-L-57	Broward Public Library Foundation	\$9,424	18 mos.	FL	Investment Alternative to CDs for Income Improvement: Offer seminars for seniors describing investment alternatives to low-yielding certificates of deposit.															x
2010-L-58	Monessen Public Library and District Center	\$24,480	4 mos.	PA	Smart Teen: Deliver a series of four workshops to help teens and young adults make sound investment decisions.															x
2010-L-59	Scottsdale Public Library	\$97,800	24 mos.	AZ	Real Women Talk Money: Provide classes, counseling, and online tools to help Maricopa County women improve their financial knowledge.															x

**Exhibit B  
Grant Proposals and Project Concepts Declined**

Financial Education in Your Community, Grant Proposals Declined December 14, 2010														
Number	Organization	Amount Requested	Project Duration	State	Description	Not with in Guide-lines			Insufficient or Inappropriate:					
						Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-C-001	United Way of Westmoreland County	\$ 150,000	24 mos.	PA	Expand financial education and counseling services for single mothers in the community.				X		X			
2010-C-003	United Way of the Inland Valleys	\$ 116,600	24 mos.	CA	Expand a workplace program that provides free, bilingual (English and Spanish) financial education workshops.			X		X	X			
2010-C-004	United Way of Greater St. Joseph	\$ 100,778	24 mos.	MO	Pilot an employer-based financial education program for in-home healthcare providers and social service agencies.					X	X			
2010-C-005	United Way of Larimer County, Inc.	\$ 99,000	24 mos.	CO	Launch a financial literacy education and awareness campaign with an emphasis on reaching clients who seek assistance from area nonprofit agencies.					X	X			
2010-C-006	Arrowhead United Way	\$ 137,600	24 mos.	CA	Continue the Gateway to Financial Literacy program for low-income individuals and families.	X				X	X	X		
2010-C-007	Community Partnership of the Ozarks	\$ 117,070	24 mos.	MO	Recruit and train community volunteers to provide financial education to underemployed and low-wage workers during lunch hour workshops.					X	X			
2010-C-011	Hawaii Alliance for Community-Based Economic Development	\$ 150,000	24 mos.	HI	Create a viable, sustainable, network approach to providing financial education services for families throughout Hawaii.						X	X		
2010-C-012	Institute for Financial Literacy	\$ 150,000	24 mos.	ME	Provided training and professional certification in personal finance education for 125 staff members of organizations working with low-income families.					X	X	X		X
2010-C-013	Jackson County United Way, Inc.	\$ 96,560	22 mos.	IN	Hire a coordinator to promote and teach financial education to at-risk adults and children throughout Jackson County.						X	X		X



Exhibit B  
Grant Proposals and Project Concepts Declined

Financial Education in Your Community, Grant Proposals Declined December 14, 2010																			
Number	Organization	Amount Requested	Project Duration	State	Description	Not within Guide-lines													
						Applicant Ineligible	Project Ineligible	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Insufficient or Inappropriate:					
2010-C-014	Literacy Orange	\$ 86,380	24 mos.	NY	Recruit, train and retain a core group of volunteers able to assist with local reading literacy, financial literacy and housing stability programs.				X										
2010-C-015	Metro United Way	\$ 150,000	24 mos.	KY	Support an innovative financial education approach and create a network of encouragement coaches.			X											
2010-C-016	Mid-Cumberland Community Action Agency	\$ 149,000	22 mos.	TN	Expand existing financial education programs and develop a web-based financial education game.					X	X	X	X						
2010-C-018	Rappahannock United Way	\$ 148,200	24 mos.	VA	Conduct extensive marketing outreach and provide financial education courses for residents in four counties in rural Virginia.					X			X	X	X				
2010-C-019	Rural Dynamics, Inc.	\$ 143,800	24 mos.	MT	Provide financial education and individualized financial plans for direct-service providers, and train providers to provide financial education for clients.								X	X	X				
2010-C-022	Trident United Way	\$ 54,025	18 mos.	SC	Provide financial education for residents in a three-county area in South Carolina.								X	X	X				
2010-C-023	Tulsa Area United Way	\$ 110,900	24 mos.	OK	Provide financial education for 500 at-risk women as they leave incarceration and re-enter society.								X	X	X				
2010-C-024	United Way of the Capital Region	\$ 100,000	24 mos.	PA	Create "prosperity centers" in selected neighborhoods with high concentrations of low-income families.								X	X	X				
2010-C-026	United Way Monterey County	\$ 25,000	15 mos.	CA	Offer one-on-one financial coaching to low-income workers at free tax preparation sites.									X	X	X			
2010-C-028	United Way of Fairfield County	\$ 120,308	24 mos.	OH	Provide financial education and individualized counseling for single, working mothers in three counties in southern Ohio.										X	X			
2010-C-029	United Way of Fresno County	\$ 139,184	18 mos.	CA	Provide financial education workshops and one-on-one counseling for low-income residents of Fresno County.										X	X			

Exhibit B  
Grant Proposals and Project Concepts Declined

Financial Education in Your Community, Grant Proposals Declined December 14, 2010															
Number	Organization	Amount Requested	Project Duration	State	Description	Project Information			Insufficient or Inappropriate:						
						Applicant Ineligible	Not within Guide-lines	Proprietary Elements	Purpose	Outreach	Qualifications	Project Design	Deliverables	Infrastructure	
2010-C-031	United Way of Greater Toledo	\$ 57,288	12 mos.	OH	Expand the marketing outreach efforts of the local Financial Stability Collaborative.							X			
2010-C-034	United Way of Northern Nevada and the Sierra	\$ 84,278	24 mos.	NV	Develop and expand the local financial stability partnership.	X						X	X		
2010-C-035	United Way of Stanislaus County	\$ 150,000	24 mos.	CA	Support the development of financial education workshops at seven sites across Stanislaus County.							X	X		
2010-C-037	United Way of the River Cities	\$ 150,000	24 mos.	WV	Provide workplace financial education classes and create Financial Information Centers with participating employers.							X	X		
2010-C-039	United Way of Yellowstone County, Inc.,	\$ 109,093	24 mos.	MT	Increase the number of qualified financial coaches in Montana, create a support network for financial coaches, and position coaching as a positive choice for anyone wanting to set and reach financial goals.							X	X		
2010-C-040	United Way of Henry County and Martinsville	\$ 110,000	24 mos.	VA	Scale up the Money Management Mentoring Program (MMMP) to help low-income working families reduce debt and increase savings.							X	X		
2010-C-041	United Way of the Bluegrass	\$ 125,000	24 mos.	KY	Challenge partners to increase the quality and capacity of financial education efforts, and build a network of volunteer coaches.							X	X		
2010-C-042	United Way of Waukesha County	\$ 150,000	24 mos.	WI	Integrate financial education into the services provided by a local Hispanic-serving social service agency.							X	X		
2010-C-044	West Virginia Alliance for Sustainable Families	\$ 96,300	24 mos.	WV	Pilot an employer-based financial education program in two regions of West Virginia.	X							X	X	

**Exhibit B  
Grant Proposals and Project Concepts Declined**

Investor Advocacy Clinic Grant Program, Grant Proposals Declined October 14, 2010											
Project Information											
Number	Law School	Amount Requested	Project Duration	State	Eligibility		Insufficient or Inappropriate:				
					Applicant Ineligible	Project Ineligible	Outreach	Qualifications	Project Design	Deliverables	Infrastructure
2010-IAC-002	The Florida Coastal School of Law	\$250,000	36 mos.	FL	X						
2010-IAC-003	Widener University School of Law	\$168,375	36 mos.	PA					X	X	
2010-IAC-005	Florida A&M University College of Law	\$250,000	36 mos.	FL				X	X		

**FINRA Investor Education Foundation  
Report to the SEC of the Global Settlement Funds  
For the Quarter and Year Ended December 31, 2010**

**Exhibit C, FINRA Foundation 2010 Internal Audit Report  
Summary Recommendations and Implementation Status**

<b>8/31/2010 Internal Audit Status Memorandum to the Foundation Board</b>	
<b>Recommendations</b>	<b>Implementation Status</b>
<p><b>Recommendation 1: Board Approvals</b></p> <p>1A: Foundation Board and management should engage in discussions regarding specific authorities of staff and what information on status of open grants should be communicated to and/or approved by the Board.</p> <p>1B: Foundation grant administration procedures should be modified to reflect Board decisions above.</p>	<p>Procedures implemented 1/2011.</p> <p>The Board established a Grant Oversight Committee (which included the Board member whose concerns precipitated the audit), which met with staff in the fourth quarter of 2010 to discuss the issues and recommendations contained in the audit report. The Committee made a number of specific recommendations for revision of Foundation procedures, which are reported in FINRA Foundation Grant Oversight Committee of the Board of Directors Summary Recommendations and Implementation Status ("Grant Oversight Committee Report"), which is being submitted with this report.</p> <p>In December 2010, the Board discussed and agreed with the recommendations of the Grant Oversight Committee. Foundation staff revised and implemented grant administration procedures in January 2011 to comply with all approved recommendations. Although not part of the audit recommendations, the Foundation will seek final Board approval at the next scheduled Board meeting.</p>
<p><b>Recommendation 2: Board Website:</b></p> <p>Foundation Board and management should engage in discussions regarding what information staff should place on the Board site. Board</p>	<p>Procedures implemented 1/2011. Grant Matrix posted to Directors Desk on 4/18/2011.</p> <p>The Grant Oversight Committee and the Foundation have</p>

**Exhibit C  
Internal Audit Recommendations and Implementation Status**

<b>8/31/2010 Internal Audit Status Memorandum to the Foundation Board</b>	
<b>Recommendations</b>	<b>Implementation Status</b>
<p>discussion of the level of detail desired should consider the size of grants and other variables.</p>	<p>addressed this recommendation by creating the Grant Matrix, which is described in detail in the Grant Oversight Committee Report.</p>
<p><b>Recommendation 3: Foundation Staffing</b> Foundation Board and management should discuss the reporting chain of command, which currently has the Foundation President reporting to a FINRA senior officer who has no formal connection to the Foundation.</p>	<p>In process. The Foundation President discussed the reporting structure with the Foundation Chairman in March 2011. The issue will be on the agenda for the next scheduled Board meeting.</p>
<p><b>Recommendation 4: Grantee Communication</b> Foundation Board and management should discuss:</p> <ul style="list-style-type: none"> <li>• Normal communication standards and practices followed by academic and other researchers during the grant period.</li> <li>• The role of Foundation staff and Board members in monitoring communication of interim and final grant results, both in the normal course of business and where concerns have been identified.</li> <li>• Clarifying the appropriate channels of communication with grant recipients, researchers and related parties.</li> <li>• Clarifying what level of involvement by Board members in grant oversight is appropriate.</li> </ul>	<p>Procedures implemented 1/2011. Grant Matrix posted to Directors Desk on 4/18/2011.</p>
<p><b>Recommendation 5: Board/Staff Communication</b> Foundation staff should establish standards for communication regarding Board member questions and concerns; establish a call-out process for Board members to recommend escalation of communication regarding a grant of concern to the Board; and discuss standards for providing updates to the description of each grant that ensure the description matches the work performed and planned.</p>	<p>Procedures implemented 1/2011. The Grant Oversight Committee Report describes the Foundation's adoption of these recommendations.</p>

**Exhibit C**  
**Internal Audit Recommendations and Implementation Status**

<b>8/31/2010 Internal Audit Status Memorandum to the Foundation Board</b>	
<b>Recommendations</b>	<b>Implementation Status</b>
<p><b>Recommendation 6: Communication of Preliminary Research Results</b>            Foundation staff should ensure that communication methods are sufficiently flexible to meet Board member expectations, especially where a Board member expresses a concern about a grant.</p>	<p>Procedures implemented 1/2011.</p>

Exhibit C  
Internal Audit Recommendations and Implementation Status

<b>10/8/10 Final Internal Audit Report</b>	
<b>Recommendations</b>	<b>Implementation Status</b>
<p><b>Issue 1: Governance and Communication</b>                      Recommendation: Incorporates observations and recommendations from the August 31, 2010 status memorandum.</p>	<p>Procedures implemented 1/2011. Grant Matrix posted to Directors Desk on 4/18/2011.                      The Foundation addressed this recommendation in its adoption of the Grant Oversight Committee recommendations, which cover both this report and the August 31, 2010 memorandum.</p>
<p><b>Issue 2: Policies and Procedures</b>                      Recommendation: Grant administration standards and procedures for specific tasks should be adequately documented. Tasks include grant eligibility and content review process, file content standards, milestone and financial report assessment, grant termination, grant closure process and Board communication.</p>	<p>Revised procedures implemented 1/2011.</p>
<p><b>Issue 3: Open Grant Files</b>                      Recommendation: Foundation management should: communicate observed slippages in grant milestones to Board for open grants; develop, with Board input, standards for communication to Board of milestone changes; perform the required background check for identified replacement of project principals and establish controls to ensure communication of future changes in principals; and work with Grant Oversight Committee in determining appropriate level of communication of status of library, community and investor advocacy clinic grants as well as handling other observations noted in the 8/31/2010 memo.</p>	<p>Grant Matrix posted to Directors Desk on 4/18/2011.                      This recommendation is addressed by the Grant Matrix, which is described in detail in the Grant Oversight Committee Report that accompanies this filing.</p>

**FINRA Investor Education Foundation  
Report to the SEC of the Global Settlement Funds  
For the Quarter and Year Ended December 31, 2010**

**Exhibit D, FINRA Foundation Grant Oversight Committee of the Board of Directors  
Summary Recommendations and Implementation Status**

<b>Grant Oversight Committee Report</b>	
<b>Recommendation</b>	<b>Implementation Status</b>
<p><b>Initial Grant Approval:</b></p> <ul style="list-style-type: none"> <li>• All information to be considered by Board in approving grant must be posted to Board website no less than two weeks before Board meeting.</li> <li>• Staff will maintain and update a spreadsheet of initial grants to be considered at next Board meeting.</li> </ul>	<p>Implemented 12/2010.</p> <p>The Foundation has started posting the full Board kit, including all grant materials, to the website at least two weeks prior to the next Board meeting. These materials include all summaries and proposals for grants recommended, as well as a matrix of all concepts and proposals received for consideration.</p>
<p><b>Changes to Existing Grants:</b></p> <ul style="list-style-type: none"> <li>• Board website will include a spreadsheet maintained and regularly updated by staff, containing summary information for each grant for milestones, deliverables, payments, requested changes (to personnel, scope, timing, objective and content).</li> <li>• At each meeting, Board will allocate time to review this spreadsheet.</li> <li>• Board members may contact staff at any time to discuss ongoing grants.</li> <li>• Board understands that changes, especially in research grants, may be necessary, but that most changes will be small.</li> <li>• Staff may approve changes in personnel and timing of grants, and report the changes on spreadsheet and at next Board meeting.</li> <li>• If basic research is unchanged, staff may approve revised scope of work, and promptly update the spreadsheet and report the change at the next Board meeting.</li> <li>• If research content or objective changes in a major way, staff may either suspend or terminate grant pending review by the Board at next regular meeting or special telephonic meeting.</li> </ul>	<p>Procedures implemented 1/2011. Grant Matrix posted to Directors Desk on 4/18/2011.</p> <p>Effective January 2011, the Foundation revised its procedures to adopt each of these recommendations.</p> <p>The spreadsheet, or "Grant Matrix," was completed and posted to Directors Desk on April 18, 2011. All changes to grants are reflected in the Grant Matrix. Major changes to grants will also go before the Board, as outlined in the "Management/ Oversight of Grants" section below.</p>



Exhibit D  
Grant Oversight Committee Recommendations and Implementation Status

<b>Grant Oversight Committee Report</b>	
<b>Recommendation</b>	<b>Implementation Status</b>
<p><b>Communication of Findings of Research Grants:</b></p> <ul style="list-style-type: none"> <li>• All deliverables, whether preliminary, working paper, power point, etc., should be posted to the Board Website on receipt by staff.</li> <li>• All reports should contain disclaimer that responsibility for error rests with authors, and that FINRA Foundation support does not imply approval or endorsement of findings, and that findings will not be quoted without approval of author. Board members will agree to comply with this confidentiality stipulation.</li> <li>• Drafts for public release should carry a qualifier that findings were supported but not necessarily endorsed by Foundation, and Foundation staff will alert Board if press attention is anticipated.</li> </ul>	<p>Grant Matrix posted to Directors Desk on 4/18/2011. Disclaimer language implemented 12/2010.</p> <p>The first recommendation is addressed by the Grant Matrix. For all research grants, the Grant Matrix includes a list of all deliverables, presentations, publications, etc. as well as direct links to the deliverables themselves, which will be posted to the Board Website.</p> <p>The Foundation's counsel developed a standard disclaimer consistent with the committee's recommendation. The grant agreement was modified in December 2010 to reflect the new disclaimer. In addition, the project principals of all Foundation-funded research grants were notified of the new required disclaimer language between December 2010 and February 2011. The disclaimer is to be used on a going-forward basis and does not apply to previously disseminated papers or publications unless they are in the process of updating for publication.</p>
<p><b>Management/Oversight of Grants:</b></p> <ul style="list-style-type: none"> <li>• Staff is responsible for management/oversight of all grants. Staff is responsible for timely reporting milestones met, deliverables provided and payments made to grantees.</li> <li>• The Grant Matrix will include a direct link to research grant deliverables, and will provide a location to access deliverables for all other grants. For all new grants, information will be loaded onto the spreadsheet at the time of the award and promptly updated. Existing grants will be updated with new information going forward.</li> <li>• The Board has a right to all information about grants, but full access by any or all Board members should be based upon a formal decision of the Board in response to a specific request.</li> </ul>	<p>Procedures implemented 1/2011. Grant Matrix posted to Directors Desk on 4/18/2011.</p> <p>The Foundation has adopted all of the recommended procedures. For all research grants, the Grant Matrix includes a list of all deliverables as well as direct links to each deliverable. For all education grants, the Grant Matrix includes progress updates along with directions to enable Board members to access related deliverables.</p>

**Exhibit D  
Grant Oversight Committee Recommendations and Implementation Status**

<b>Grant Oversight Committee Report</b>	
<b>Recommendation</b>	<b>Implementation Status</b>
<ul style="list-style-type: none"> <li>• A grantee request to extend a grant by a significant period of time (e.g., more than 50% of the original period) or the submission by a grantee of milestone deliverables that differ substantially from the grant agreement requires suspension of the grant pending Board review, either at the next scheduled Board meeting or by special telephonic meeting.</li> <li>• For unspent grant funds following completion of the deliverables, the following guidelines apply:               <ul style="list-style-type: none"> <li>○ Staff may approve requests up to \$10,000.</li> <li>○ The Funding Request Committee of the Board may approve requests to spend \$10,000 to \$99,999.</li> <li>○ Requests to spend \$100,000 to \$250,000 require approval by majority of the non-public directors and majority of the public directors of the Board.</li> <li>○ Requests to spend over \$250,000 require approval by the full Board.</li> </ul> </li> </ul> <p><b>Communication with Grantee:</b></p> <ul style="list-style-type: none"> <li>• All Board member communication with grantee must be through staff, and all communications should be fully reported to Board members.</li> </ul>	<p><b>Implemented 1/2011.</b></p>