As the President and CEO of Consumer Education Services Inc., I am pleased to present the 2020 annual report.

The 2019-2020 fiscal year was an important and unpredictable year for CESI. When we began our fiscal year in July of 2019, nobody could have predicted the impact of the COVID-19 pandemic on consumers and businesses in 2020. As we have navigated the changing landscape of business in this season, it has required innovation and flexibility to serve our customers and fulfill our mission of helping consumers overcome financial distress and lead financially healthy lives. Never has the work we do been more important! CESI is committed to being a steady resource during this period of uncertainty and to providing exceptional service and support to consumers experiencing financial crisis.

As we enter the 2020-2021 fiscal year, here are some key accomplishments from the last year:

- CESI’s Homeownership Center secured $1,435,476 in down payment assistance for Low to Moderate Income home buyers in NC and was ranked Number One in the state of North Carolina for the Community Partners Loan Pool in 2019.

- CESI expanded our counseling, programs, and technology to fit the changing needs of consumers, pairing financial counseling with education to empower consumers to take charge of their finances.

- CESI was named by Business North Carolina as one of the 2020 Best Employers in North Carolina for the second consecutive year.

- Affiliated non-profit, Carolina Community Impact was certified as a Community Development Financial Institution (CDFI) by the U.S. Department of the Treasury.

Every day, our employees demonstrate an unwavering commitment to helping the consumers we serve increase their economic security. This commitment and drive makes CESI an industry leader and helps us create innovative solutions for the future. Thank you for your continued support of CESI.
Our Mission

Consumer Education Services, Inc. empowers people to overcome their financial challenges and lead financially-healthy lives.

Vision

Every person we serve has the skills and confidence to successfully manage their finances.

Values

At Consumer Education Services, we:

- Find a way
- Respect others
- Honor our commitments
- Lead

Our Team:

- Service Area: 50 States and Puerto Rico
- Certified Counselors: 49
- Bilingual Counselors: 10
Program Expenses $6,826,772

Funding

- Grant Funding: $713,999
- Creditor Support: $1,057,843
- Misc. Revenue: $916,868
- Program Funding (fees): $4,138,062
CESI is licensed to serve consumers in all 50 states and in Puerto Rico with credit counseling and debt management.

- **Total Consumers Assisted with Credit Counseling:** 46,628
- **Clients Enrolled in Debt Management Plan:** 3,194
- **Total Clients Active During Fiscal Year:** 17,595
- **Clients Who Paid In Full During Fiscal Year:** 2,509
- **76% of clients as of June 2020 were in Low to Moderate Income Households**

<table>
<thead>
<tr>
<th>Total Debt Active During Year</th>
<th>$215,535,574</th>
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</thead>
<tbody>
<tr>
<td>New Debt Enrolled</td>
<td>$37,469,041</td>
</tr>
<tr>
<td>Debt of Clients Completed</td>
<td>$27,748,717</td>
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<tr>
<td>Debt Paid to Creditors During Year</td>
<td>$36,898,092</td>
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</tbody>
</table>
Consumer Education Services, Inc. is rated Excellent

Based on 523 reviews

“CESI handled everything in my financial crisis. They were very easy to work with, easy to keep in touch with, and I was surprised at how quickly things were paid off. I highly recommend them & deeply appreciate their skill and integrity. They are, in my opinion, EXCELLENT!!!”

by Phyllis

Rated 4.8 / 5 | 523 reviews

Credit Counseling By The Numbers

Service Area:
50 States and Puerto Rico

Average age of consumer counseled: 45

32% Male
66% Female

Average reduced APR: 7.5%

Average monthly income per client: $2,749

Average number of creditors: 4.97

Average annual income per client: $32,997

Single: 45%
Married: 27%
Divorced/ Separated: 12%
Widowed: 3%
Other: 2%
Not specified: 11%
CESI's Customer app launched in December 2019

Features of the App:

- Chat servicing
- Motivational DMP journey badges
- Biometric security
- Access to all client documents
- Ongoing education
- Ability to view creditors, payments and proposals
- Ability to make a one-time payment
COVID-19 Response

Our mission at CESI is to enhance the economic security of all we serve. The Spring of 2020 brought many challenges as we faced the COVID-19 Pandemic. The CESI Team worked to quickly provide resources to help those impacted.

Covid-19 Initiatives:

- Established a counseling triage center to address consumers experiencing financial distress due to COVID-19
- Expansion of Debt Repayment Program and Extended Modified Solutions Program in conjunction with creditors to meet evolving consumer need
- Provided budget counseling and deferment information to consumers not enrolled in Debt Management Plans - CESI Counselors provided 453 COVID-19 counseling sessions between March 17 and June 30, 2020
Total Bankruptcy Consumers Counseled: 20,903
Pre-Bankruptcy Counseling (CC) Certificates Issued: 11,256
Post-Bankruptcy Counseling (DE) Certificates Issued: 9,647

"Very helpful, informative, definitely a tool that I will use to help me navigate my credit back to good standing."
by Sandra

"The course was very enlightening and provided insight on how to proceed going forward with credit."
by Barbara
2019 - 2020 Impact

Education Resources

CESI offers an extensive online education resource library which includes:

- Financial blog
- eBooks
- Videos
- Financial calculators
- Comprehensive financial literacy courses

CESI also provides in-person classroom based or webinar based financial education to the community through partnerships with community agencies and non-profits.

Education Courses

- Budgeting Basics
- Financial Goal Setting
- Understanding Credit and Debt
- College Finance and Student Loan Debt
- Planning for Retirement
- The Basics of Saving
- Understanding Credit Reports and Scores
- Preventing and Protecting from Identity Theft
- College Finance and Student Loan Debt

126 Outreach Sessions Conducted
2,312 Attendees
24 Community Partners
142 Hours of Community Education Provided

70% of attendees report household income of less than $25,000
The HUD Certified CESI Homeownership Center exists to provide access to housing opportunities, individualized housing counseling and personal finance training to educate and enable individuals to understand and enjoy the benefits of homeownership.

Down Payment Assistance Funding:

The CESI Homeownership Center assisted 38 clients in obtaining down payment assistance through the Community Partners Loan Pool (CPLP) on the purchase of their home, with an average funding award of $28,000 per unit or $1,064,000 in total funding awarded.

For the 2019 calendar year, CESI's Homeownership Center was awarded the 2019 top producers in large markets and was recognized by the North Carolina Housing Finance Agency for being number 1 for CPLP closings in the state of North Carolina.

**HUD Housing Programs, Total Served: 836**

- Pre-Purchase Counseling: 38
- Homebuyer Education: 10 workshops and 302 attendees

**Reverse Mortgage Counseling, Total Served: 384**

**Mortgage Delinquency Prevention, Total Served: 112**

**State Home Foreclosure Prevention Fund Calls Handled: 10,281**
Carolina Community Impact, Inc. (CCI) is a subsidiary nonprofit organization that provides access to credit building and asset building techniques for individuals and small businesses through financial education and loans.

Mission

Carolina Community Impact promotes economic and community development by providing financial programs and services for low- and moderate-income clients.

In February, 2020 Carolina Community Impact was certified as a Community Development Financial Institution (CDFI) by the U.S. Department of the Treasury.

As a certified CDFI, Carolina Community Impact offers financial products paired with financial counseling provided by CESI to North Carolina residents and small businesses excluded from mainstream financial services.

In 2020 CCI expanded into small business lending with two main products. CCI offers a general small business loan to assist small businesses with growth and expansion. We also are proud to be a participant in the state of North Carolina's Rapid Recovery loan program to assist businesses effected by COVID-19.

Loans made through CCI in the 2019-2020 Fiscal Year: 311