FRAUD AFFECTS EVERY COMMUNITY

October 29, 2014
Welcome
Introductory Remarks

Chairwoman Edith Ramirez
Federal Trade Commission
Panel 1: A Look at the Marketplace for Different Communities

- Courtney Jones
  The Nielsen Company

- Latanya Sweeney
  Harvard University
AFRICAN-AMERICAN BUYING POWER

$1 Trillion Buying Power

$1.3 Trillion By 2018

Source: Nielsen African-American Consumer September 2014
SUBSTANTIAL AFRICAN-AMERICAN INCOME

44% OF ALL AFRICAN-AMERICAN HOUSEHOLDS EARN $50,000 OR MORE

23% OF ALL AFRICAN-AMERICAN HOUSEHOLDS EARN $75,000 OR MORE

Source: Nielsen African-American Consumer September 2014
AD SPENDING ON AFRICAN-AMERICAN FOCUSED MEDIA IS TRENDING UP

$2.6 Billion
spent in 2013 on
African-American
focused media

7% growth vs. only 2% in overall ad spend

Source: Nielsen African-American Consumer September 2014
AFRICAN-AMERICANS ARE HEAVY USERS OF DIGITAL AND SOCIAL MEDIA ACROSS PC AND MOBILE

78%
Mobile penetration among Black consumers
24% Year-Over-Year Gain

African-Americans are 81% more likely to **show support for a favorite company or brand using social media** than the general population.

76% more likely to **share opinions by posting reviews and ratings online**.

Source: Nielsen Cross Platform Report 1Q14
Source: Nielsen/MRI Fusion May 2014
RADIO CONSUMPTION AMONG AFRICAN-AMERICANS REMAINS HIGH

WHY DO YOU LIKE YOUR FAVORITE RADIO SHOW AND RADIO SHOW PERSONALITIES?

“I listen to my favorite radio show personality because they’re easy to relate to and talk about topics that are important to me.”

92% of African-Americans reached weekly on Radio

African-American Listeners spend 13 hours/week with Radio

Source: Nielsen State of the Media Audio Today April 2014
AFRICAN-AMERICANS LISTEN TO RADIO CLOSEST TO WHEN THEY MAKE THEIR SHOPPING DECISIONS

61% of African-Americans listen outside the home

92% of African-Americans reached weekly on Radio

Mid-Day (10A-3P) is the top daypart for African-Americans

African-American Listeners spend 13 hours/week with Radio

Source: Nielsen State of the Media Audio Today April 2014
URBAN FORMATS ACCOUNT FOR MORE THAN HALF OF THE SHARE FOR AFRICAN-AMERICAN LISTENERS

Format share among African-Americans

<table>
<thead>
<tr>
<th>FORMAT</th>
<th>18-24 SHARE</th>
<th>25-54 SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Contemporary</td>
<td>32.1</td>
<td>31.3</td>
</tr>
<tr>
<td>Urban AC</td>
<td>21.4</td>
<td>21.1</td>
</tr>
<tr>
<td>Rhythmic Contemporary Hit</td>
<td>13.2</td>
<td>8.7</td>
</tr>
<tr>
<td>Pop CHR</td>
<td>6.8</td>
<td>5.0</td>
</tr>
<tr>
<td>Adult Contemporary</td>
<td>4.3</td>
<td>4.7</td>
</tr>
</tbody>
</table>

Source: Nielsen State of the Media Audio Today April 2014
AFRICAN-AMERICANS ARE HEAVILY ENGAGED VIEWERS OF TELEVISION

African-Americans watch 14 MORE HOURS of Television per week than any other group

Digital Video Usage has grown rapidly among African-Americans

Source: Nielsen Cross Platform Report 1Q14
CUSTOMER RESOURCES

Nielsen Newswire

UNCOMMON SENSE
News and views from Nielsen's leading voices

FEATURED REPORTS
BREAKTHROUGH INNOVATION REPORT - EUROPE
Thousands of new product launches fail in their first year, costing businesses millions of pounds, yet manufacturers can reverse these outcomes by changing their approach to innovation.

Industry Insights
Panel 1: A Look at the Marketplace for Different Communities

• Courtney Jones
  The Nielsen Company

• Latanya Sweeney
  Harvard University
Exclusive Audiences in Online Communities

Latanya Sweeney
Former Chief Technologist, FTC
Harvard University

Jinyan Zang
Summer Research Fellow
in Technology Science, FTC
Summer Research Fellowships in Technology Science

Krysta Dummit
Chemistry at Princeton University ‘15

Jim Graves
PhD student at Carnegie Mellon

Paul Lisker
Computer Science at Harvard University ‘16

Jinyan Zang
Consultant at Oliver Wyman, Economics at Harvard University ‘13
Quick peek at two local news websites having the same owner and using the same ad network

**Miamiherald.com homepage**

- Broward existing home prices rose in July
- The link to news happening now
- Ads on the site
- Latest stories
- Community news

**Elnuevoherald.com homepage**

- Consumidores rechazan sistema de captahuelas en Venezuela
- Tormenta en el Atlántico produce daños a su feriado
- Las más populares

### Language breakdown

<table>
<thead>
<tr>
<th>Language</th>
<th>Miamiherald.com</th>
<th>Elnuevoherald.com</th>
</tr>
</thead>
<tbody>
<tr>
<td>English</td>
<td>97%</td>
<td>3%</td>
</tr>
<tr>
<td>Spanish</td>
<td>37%</td>
<td>63%</td>
</tr>
</tbody>
</table>

n = 60 Miamiherald.com ads, 51 Elnuevoherald.com ads
Miamiherald.com saw more generic shopping ads from multiple advertisers while Elnuevoherald.com had more ads on phone service and fast food.

Ad type breakdown

- Miamiherald.com: Shopping (25%), Food (25%), Financial (27%)
- Elneuvoherald.com: Phone (27%), Food (25%), Financial (27%)

n = 60 Miamiherald.com ads, 51 Elnuevoherald.com ads
* Immigration law ad
** Soccer / World Cup ads
Anecdotal exploration raises a question.
Consumer areas reported by the FTC as having the most frequently reported incidents of fraud

**Frequently Reported Fraud**
- Weight-loss products
- Prize promotions
- Work-at-home programs
- Debt-related offers

**Some Victim Demographics**
- African Americans were almost twice as likely to have experienced one or more of the surveyed frauds.
- Hispanics were also more likely than non-Hispanic whites to have been victims of the surveyed frauds.
- Those between 55 and 74 had the greatest chance of being victims of fraudulent prize promotions.

Which online websites are more exclusive to one demographic audience than to other demographic audiences?
Does the content of any of these websites relate to frequently reported areas of fraud?

1. comScore data
2. Exclusivity Index
3. Fraud Areas

- People
- Websites
- Ads
comScore data provides a broad overview of the browsing behavior of Americans

What is comScore data?

- 46,000 machines recruited in the US (2013)
- comScore installs web browsing tracking software
- > 150 million websites visited

We can filter comScore web history data by race, education, age, income, household size, and children status.

**Race / Ethnicity**
- White
- Black
- Asian
- Hispanic

**Head of household education**
- Less than high school
- High school
- Some college
- Associate degree
- Bachelor’s degree
- Graduate degree

**Head of household age**
- 18-20
- 21-24
- 25-29
- 30-34
- 35-39
- 40-44
- 50-54
- 55-59
- 60-64
- > 65

**Household income**
- < 15K
- 15-25K
- 25-35K
- 35-50K
- 50-75K
- 75-100K
- > 100K

**Household size**
- 1
- 2
- 3
- 4
- 5
- > 6

**Children present**
- Yes
- No
We derived a metric to identify domains exclusive to a demographic group. A group’s **Exclusivity Index for a domain** is:

\[
\frac{\text{percentage of members of the group visiting the domain}}{\text{sum of the percentages of members of all comparable groups visiting the domain}}
\]

**Example.**

<table>
<thead>
<tr>
<th>% Latino households visiting univision.com</th>
<th>( \frac{2099 \div 7457}{(2099 \div 7457)} )</th>
<th>=</th>
<th>0.2815</th>
<th>=</th>
<th>0.2815</th>
<th>=</th>
<th>0.3161</th>
<th>=</th>
<th>0.89</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ % White households visiting univision.com</td>
<td>+ (205 \div 19525)</td>
<td>=</td>
<td>0.0105</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+ % Black households visiting univision.com</td>
<td>+ (137 \div 9900)</td>
<td>=</td>
<td>0.0138</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+ % Asian households visiting univision.com</td>
<td>+ (28 \div 2724)</td>
<td>=</td>
<td>0.0103</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By filtering through popularity and exclusivity, 4 million domains get narrowed down to 5,756.

- **All domains**: > 4 million domains
- ** Popular domains**: 15,615 domains (≥ 10% of a group visiting)
- **Group-exclusive domains**: 5,756 domains
  
  \[
  \text{Exclusivity index score}_{\text{domain}} > 2 
  \times \text{st. dev.}_{\text{group}} + \text{mean score}_{\text{group}}
  \]
Popular domains exclusivity scores by race. There are more domains exclusive to Asians and Blacks than other racial groups.
Most popular domains exclusive to racial groups.

<table>
<thead>
<tr>
<th>White</th>
<th>Black</th>
<th>Latino</th>
<th>Asian</th>
</tr>
</thead>
<tbody>
<tr>
<td>(5 domains)</td>
<td>(22 domains)</td>
<td>(5 domains)</td>
<td>(53 domains)</td>
</tr>
<tr>
<td>Rank</td>
<td>Domain</td>
<td>Rank</td>
<td>Domain</td>
</tr>
<tr>
<td>239</td>
<td>legacy.com</td>
<td>95</td>
<td>worldstarhiphop.com</td>
</tr>
<tr>
<td>461</td>
<td>viralnova.com</td>
<td>188</td>
<td>footlocker.com</td>
</tr>
<tr>
<td>503</td>
<td>tasteofhome.com</td>
<td>216</td>
<td>datpiff.com</td>
</tr>
<tr>
<td>519</td>
<td>cabelas.com</td>
<td>250</td>
<td>bet.com</td>
</tr>
<tr>
<td>548</td>
<td>godvine.com</td>
<td>363</td>
<td>livemixtapes.com</td>
</tr>
<tr>
<td></td>
<td></td>
<td>407</td>
<td>hotnewwhiphop.com</td>
</tr>
<tr>
<td></td>
<td></td>
<td>439</td>
<td>peanutlabs.com</td>
</tr>
<tr>
<td></td>
<td></td>
<td>526</td>
<td>kik.com</td>
</tr>
<tr>
<td></td>
<td></td>
<td>547</td>
<td>mcnemanager.com</td>
</tr>
<tr>
<td></td>
<td></td>
<td>569</td>
<td>panthersssl.com</td>
</tr>
</tbody>
</table>
Popular domains exclusivity scores by income.
Only very high income (> 100K) households and low income (< 25K) households have exclusive domains.
Top 10 popular domains exclusive to income groups. Gaming websites tend to be more exclusive to lower income groups, news websites are more exclusive to higher income groups.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>121</td>
<td>beyond.com</td>
</tr>
<tr>
<td>157</td>
<td>regflow.com</td>
</tr>
<tr>
<td>171</td>
<td>punishtube.com</td>
</tr>
<tr>
<td>177</td>
<td>brassring.com</td>
</tr>
<tr>
<td>216</td>
<td>kmart.com</td>
</tr>
<tr>
<td>219</td>
<td>crackle.com</td>
</tr>
<tr>
<td>267</td>
<td>king.com</td>
</tr>
<tr>
<td>269</td>
<td>zynga.com</td>
</tr>
<tr>
<td>277</td>
<td>trialpay.com</td>
</tr>
<tr>
<td>285</td>
<td>snagajob.com</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rank</th>
<th>Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>216</td>
<td>sponsorpay.com</td>
</tr>
<tr>
<td>251</td>
<td>arcadesafari.com</td>
</tr>
<tr>
<td>267</td>
<td>king.com</td>
</tr>
<tr>
<td>277</td>
<td>snagajob.com</td>
</tr>
<tr>
<td>309</td>
<td>zynga.com</td>
</tr>
<tr>
<td>331</td>
<td>greengamesandham.com</td>
</tr>
<tr>
<td>381</td>
<td>directtrack.com</td>
</tr>
<tr>
<td>416</td>
<td>jobs-to-careers.com</td>
</tr>
<tr>
<td>456</td>
<td>playpickle.com</td>
</tr>
<tr>
<td>470</td>
<td>qualityhealth.com</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rank</th>
<th>Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>nytimes.com</td>
</tr>
<tr>
<td>67</td>
<td>fyre.co</td>
</tr>
<tr>
<td>79</td>
<td>tripadvisor.com</td>
</tr>
<tr>
<td>90</td>
<td>usatoday.com</td>
</tr>
<tr>
<td>100</td>
<td>buzzfeed.com</td>
</tr>
<tr>
<td>121</td>
<td>goodreads.com</td>
</tr>
<tr>
<td>125</td>
<td>forbes.com</td>
</tr>
<tr>
<td>149</td>
<td>imgur.com</td>
</tr>
<tr>
<td>157</td>
<td>latimes.com</td>
</tr>
<tr>
<td>164</td>
<td>dropbox.com</td>
</tr>
</tbody>
</table>

Other groups (1 domain)

25 – 35K
qualityhealth.com
Popular domains exclusivity scores by age
Younger age groups and seniors (≥ 65) tend to have more exclusive domains.
### Top 10 popular domains exclusive to age groups

Younger age groups tend to concentrate on free video streaming and education sites while seniors are on shopping sites.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Domain Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 – 20</td>
<td>49 domains</td>
</tr>
<tr>
<td>21 – 24</td>
<td>42 domains</td>
</tr>
<tr>
<td>≥ 65</td>
<td>45 domains</td>
</tr>
<tr>
<td>Other</td>
<td>86 domains</td>
</tr>
</tbody>
</table>

#### 18 – 20 (49 domains)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>106</td>
<td>imvu.com</td>
</tr>
<tr>
<td>111</td>
<td>ed.gov</td>
</tr>
<tr>
<td>165</td>
<td>putlocker.com</td>
</tr>
<tr>
<td>166</td>
<td>download4free.org</td>
</tr>
<tr>
<td>172</td>
<td>puriffer.com</td>
</tr>
<tr>
<td>180</td>
<td>quizlet.com</td>
</tr>
<tr>
<td>193</td>
<td>ztstatic.com</td>
</tr>
<tr>
<td>206</td>
<td>youtube-mp3.org</td>
</tr>
<tr>
<td>210</td>
<td>weatherbug.com</td>
</tr>
<tr>
<td>218</td>
<td>babcdn.com</td>
</tr>
</tbody>
</table>

#### 21 – 24 (42 domains)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>99</td>
<td>wigetmedia.com</td>
</tr>
<tr>
<td>104</td>
<td>thefreecamsecret.com</td>
</tr>
<tr>
<td>149</td>
<td>gameninja.com</td>
</tr>
<tr>
<td>191</td>
<td>putlocker.com</td>
</tr>
<tr>
<td>196</td>
<td>morefreecamsecrets.com</td>
</tr>
<tr>
<td>201</td>
<td>gamemazing.com</td>
</tr>
<tr>
<td>217</td>
<td>youtube-mp3.org</td>
</tr>
<tr>
<td>225</td>
<td>software-updates.com</td>
</tr>
<tr>
<td>261</td>
<td>update85.com</td>
</tr>
</tbody>
</table>

#### ≥ 65 (45 domains)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>53</td>
<td>local.com</td>
</tr>
<tr>
<td>83</td>
<td>wow.com</td>
</tr>
<tr>
<td>108</td>
<td>instantcheckmate.com</td>
</tr>
<tr>
<td>122</td>
<td>whitepages.com</td>
</tr>
<tr>
<td>173</td>
<td>comparisons.org</td>
</tr>
<tr>
<td>177</td>
<td>shop411.com</td>
</tr>
<tr>
<td>184</td>
<td>nextag.com</td>
</tr>
<tr>
<td>212</td>
<td>peoplesmart.com</td>
</tr>
<tr>
<td>234</td>
<td>ancestry.com</td>
</tr>
<tr>
<td>251</td>
<td>pronto.com</td>
</tr>
</tbody>
</table>

#### Other groups (86 domains)

<table>
<thead>
<tr>
<th>Age</th>
<th>Domain Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-29</td>
<td>4</td>
</tr>
<tr>
<td>30-34</td>
<td>1</td>
</tr>
<tr>
<td>35-39</td>
<td>16</td>
</tr>
<tr>
<td>40-44</td>
<td>8</td>
</tr>
<tr>
<td>45-49</td>
<td>10</td>
</tr>
<tr>
<td>50-54</td>
<td>11</td>
</tr>
<tr>
<td>55-59</td>
<td>11</td>
</tr>
<tr>
<td>60-64</td>
<td>25</td>
</tr>
</tbody>
</table>
Which online websites are more exclusive to one demographic audience than to other demographic audiences?

Does the content of any of these websites relate to frequently reported areas of fraud?

1. comScore data
2. Exclusivity Index
3. Fraud Areas
Popular domains in comScore data whose name contains prize promotion keywords ("prize", "sweepstakes", "lottery", "winner"). The 15 domains are more exclusive to different audiences.

- **Exclusive to mostly Hispanic demographic groups**
  - worldwinner.com
  - alertprize.com
  - prizesreward.com
  - american-prize-center.com
  - bonusprizes.net
  - prizesoffer.com

- **Exclusive to mostly White demographic groups**
  - eprize.com
  - prizedazzle.com
  - winnerseveryweek.com
  - winnervisitors.com

- **Exclusive to mostly Black demographic groups**
  - mywebprize.com

- **Exclusive to groups older than 45 having income less than $25K**
  - prizedazzle.com
  - winnerseveryweek.com
  - winnervisitors.com

- **Exclusive to mostly Asian demographic groups**
  - mywebprize.com
Which online websites are more exclusive to one demographic audience than to other demographic audiences?

Do ads in frequently reported fraud areas appear more often on websites having exclusive audiences?

1. comScore data
2. Exclusivity Index
3. Fraud Areas

1. Fraud area ads
2. Mixrank data
3. Ads

1. People
2. Websites
3. WWW.
Panel 2: How and Why Fraud Affects Different Communities

- Marcus Beauregard, DoD-State Liaison Office
- Sarah Dewees, First Nations Development Institute
- Quyen Dinh, Southeast Asia Resource Action Center
- Maggie Flowers, National Council on Aging
- Charles R. Lowery, Jr., NAACP
- Brent A. Wilkes, League of United Latin American Citizens
FINANCIAL FRAUD IN NATIVE COMMUNITIES

SARAH DEWEES
FIRST NATIONS DEVELOPMENT INSTITUTE
OCTOBER 29, 2014
First Nations Development Institute

- 34 year old Native-led national nonprofit organization.
- Strategies: Educating, Advocating, and Capitalizing.
- Since 1994, have successfully managed 936 grants totaling $21.3 million to projects and organizations in 36 states.
Unique Issues in Native Communities

• Large Lump Sum Payments
  – Tribal dividend payments from tribal enterprises – per caps and minor’s trust payments
  – Recent lawsuit settlements

• First Nations Development Institute working together with FINRA Investor Education Foundation and Office of the Special Trustee to provide financial information
Per-capita and minor’s trust payments

• Tribal dividend payments from tribal enterprises or lawsuit settlements – per caps and minor’s trust payments.

• Payments kept in a trust fund for minor members.

• Have grown larger over time.

• Payments can range from a few thousand to over $100,000
Per-capita and minor’s trust payments

- Challenges:
  - Car dealers, mobile home dealers, others know timing of payouts and offer special “deals”
  - Often target young people
  - Cash advances on per capita payments
  - Identify theft
Recent Lawsuit Settlements

• Cobell v. Salazar
  – Settlement payments
  – Land Buy Back Program

• Keepseagle
  – Settlement payments

• Between 2012 and 2015, over $3 billion in individual and tribal trust fund settlements will have come into Indian Country
Land Buy Back Program

• The Cobell settlement provided for a $1.9 billion Trust Land Consolidation Fund (Fund) to consolidate fractional land interests across Indian Country.

• There are approximately 150 unique reservations that have fractional interests. The Buy-Back Program allows interested individual owners to receive payments for voluntarily selling their land.

• All interests sold are restored to tribes, which helps to keep Indian lands in trust for tribal communities.
Recent Lawsuit Settlements

- Other lawsuit settlements
  - Underpayment on leases
  - Compensation for loss of land
- Sometimes tribe “per caps” the payments
Efforts to Combat Fraud

- Fraud awareness training.
- Workshops, financial simulations.
- Financial fraud pamphlet.
- Social media campaigns
- Work with staff at Office of Special Trustee to provide resources, training.
Thank you

Sarah Dewees
Senior Director of Research, Policy, & Asset Building Programs
First Nations Development Institute
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Fredericksburg, VA 22401
Ph: 1-540-371-5615
Cell: 1-540-907-6247
sdewees@firstnations.org
www.firstnations.org
Panel 2: How and Why Fraud Affects Different Communities

- Marcus Beauregard, DoD-State Liaison Office
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Fraud Affects Every Community

WEDNESDAY, OCTOBER 29, 2014
NAACP ECONOMIC DEPARTMENT
CHARLES LOWERY, DIRECTOR OF FAIR LENDING AND INCLUSION
Racial Economic Inequality

Unemployment → Lack of Education → Homeownership → Wealth Gap
Employment

This unemployment rate hides the larger number of African Americans not working full time or “marginally” attached to the workforce, this is normally about twice the unemployment rate.

As many as 27% of African Americans between the ages of 20 and 24 are not employed or in school.


For the last 50 years, in good times and bad, African Americans have had about twice the unemployment of whites.
Unemployment in the African American Community

Education reduces but does not eliminate the unemployment divide.

The African American with a Bachelor’s degree experiences the same unemployment of a white worker with an Associate’s degree.
High income African American families have traditionally earned only as much as middle income white families.

While African Americans have always known income inequality, since the 1990s it has been on the rise in white America as well.
Wealth Inequality in America

The racial wealth gap continues to grow.

According to research by the Urban Institute, the wealth gap has doubled in the past few decades. The average wealth of white families was $230,000 higher than the average wealth of African-American and Hispanic families in 1983. By 2010, the average wealth of white families was over a half-million dollars higher than the average wealth of black and Hispanic families.

Structural and Racist Barriers

Initially, barriers to home lending were explicitly racist.

Manual underwriting and a limited secondary market (the market where banks can sell off the loans they make) meant banks were cautious about who they made loans to and where.

This period saw little lending in African American neighborhoods, most loans were either personal or from the limited number of “Black Banks”

Source: Atlanta Constitution Journal
The NAACP Game Changers for the 21st Century include:

- Economic Sustainability
- Education
- Health
- Public Safety and Criminal Justice
- Voting Rights and Political Representation

NAACP Economic Game Changer

Economic Sustainability

A chance to live the American Dream for all. Every person will have an equal opportunity to achieve economic success, sustainability, and security.
Three Pillars:

- **Empower** local communities with the necessary education, resources and partnerships to develop sustainable economic models that advance diversity and equity.
- **Ensure** that government and industry are knowledgeable, and committed to bridging racial inequality particularly as it relates to employment, wealth, lending and business ownership.
- **Grow** a movement of concerned citizens and organizations who work together to produce an inclusive and strong middle class economy for the 21st century.
NAACP Economic Department

Financial Education

Community & Economic Development

Fair Lending

Diversity & Inclusion
Economic Education

Participates in events around the country to educate local and state conference NAACP units on the financial education topics

Provides grants to individuals to perform financial education at the local level
Fair Lending

Performs analysis of Home Mortgage Disclosure Act (HMDA) for evidence of discrimination at the lender level
Monitors state and federal policy related to mortgage, auto, payday, and small dollar bank lending
Meets with bank partners around fair lending issues, products, and initiatives to reduce the un- and under-banked population
Researches and evaluates data and reports to determine impact on racial inequality
The Community Economic Development aspect of our work focuses on entrepreneurship and asset development. We have developed three projects (Northwest Area Foundation, Chase Foundation, and Ford Foundation) where we are working with local NAACP units to strengthen African American involvement in this area.
There are four main areas of the Diversity and Inclusion program.

1. Opportunity and Diversity Report Cards grade industries based on the strength of their workforce and supplier diversity.

2. NAACP and Dunkin Brands have partnered to strengthen the franchisee diversity of their restaurants.

3. The Professional Development Network (PDN) powers the NAACP JobFinder.

4. NAACP works with the United Negro College Fund (UNCF) to provide paid summer internships at Wall Street investment banks. Interns are recruited from HBCUs.
The NAACP supports a cap on all lending of 36% in interest.

This cap is historically proven to allow needed credit to flow while eliminating usury and loansharking.

Payday and auto title lenders began to target consumers ignored by banks, often the same people that were unable to get mortgage loans.

Predatory lending targets families traditionally excluded from home ownership.
1. In 2014 it is estimated that over 50% of school age Americans are non-white.*

2. By 2043 America will be a “majority-minority nation”.**

3. Over the next decade, 75% of the new households formed will be non-white.

4. Banks and lenders struggle to understand this market, how to connect with it, and how to offer products that it needs.

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The Economic Opportunity homepage includes information and resources on our economic programs. [www.NAACP.org/econ](http://www.NAACP.org/econ)
Financial Freedom Campaign Media Presence
STAY IN TOUCH WITH THE NAACP ECONOMIC DEPARTMENT

- Visit NAACP.org/econ and sign up for The Angle newsletter
- Apply to become a Financial Freedom Campaign Micro-Grantee (State Conferences)
- Like us at Financial Freedom Campaign on Facebook
- Follow us @NAACPAdC on Twitter
- Text Econ to 62227 for Mobile Updates
- Read The Crisis at thecrisismagazine.com
- Email the Economic Department at econprograms@naacpnet.org
- Call us at 202-478-6400
Thank You,
Questions?

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FINANCIAL FREEDOM CAMPAIGN ON FACEBOOK
Panel 2: How and Why Fraud Affects Different Communities

- Marcus Beauregard, DoD-State Liaison Office
- Sarah Dewees, First Nations Development Institute
- Quyen Dinh, Southeast Asia Resource Action Center
- Maggie Flowers, National Council on Aging
- Charles R. Lowery, Jr., NAACP
- Brent A. Wilkes, League of United Latin American Citizens
How and Why Fraud Affects Different Communities: Older Adults

October 29, 2014
National Council on Aging (NCOA)

Who We Are:
NCOA is the nation’s leading nonprofit service and advocacy organization representing older adults and the community organizations that serve them.

Our Mission:
To improve the lives of millions of older adults, especially those who are vulnerable and disadvantaged.
Scams & Seniors

• 1 in 5 individuals in the U.S. is aged 60+.
• 1 in 13 older persons will be abused, neglected, and/or financially exploited.
• Only 1 in 44 elder financial abuse cases is ever reported to law enforcement.
• 9% of financial abuse victims must turn to Medicaid after their own funds are stolen.
Why Scammers Target Seniors

- Fears
- Frailties of Aging
- Dependence on Others
- Isolation
Top 10 Scams Targeting Seniors

1. Health Care/Medicare/Health Insurance Fraud
2. Counterfeit Prescription Drugs
3. Funeral & Cemetery Scams
4. Fraudulent Anti-Aging Products
5. Telemarketing
6. Internet Fraud
7. Investment Schemes
8. Homeowner/Reverse Mortgage Scams
9. Sweepstakes & Lottery Scams
10. The Grandparent Scam
Next Steps for Victims of Financial Fraud

• Encourage seniors talk about it—waiting could only make it worse.

• Immediately:
  – Call banks and/or credit card companies.
  – Cancel any debit or credit cards linked to the stolen account.
  – Reset personal identification number(s).
  – Call Police and file a report

• Contact legal services and Adult Protective Services. To find local offices, call the Eldercare Locator toll free at 1-800-677-1116 weekdays 9 a.m. to 8 p.m.
Am I Making the Most of My Money?

It's easy to find out.

Answer a few simple questions and get a personalized report with tips on how you can better manage your budget, save money, and set financial goals. It's free, confidential, and from a trusted source—the nonprofit National Council on Aging.

GET STARTED NOW

Protect Yourself from Scams:
Discover how to avoid the most common scams targeting seniors

Manage Your Money:
Create a budget and see where to cut expenses

Find Work:
Define your skills, get training, and land a job

www.EconomicCheckUp.org
Panel 2: How and Why Fraud Affects Different Communities

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Break