

ACT Lawrence



FOUNDED: 1996

CURRENT ANNUAL BUDGET: \$385,671

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Investment Opportunity

ACT Lawrence seeks to raise \$1.35M over the next two years to continue delivering high-quality programs and increase the number of individuals who benefit from workshops, coaching, and counseling. Youth programs will increase in scope, adding more internships and job placements. The investment will also allow for new programs that build financial capabilities for business owners and provide opportunities for micro-loans in partnership with local institutions.

With an increasingly complex universe of financial products and services, the need for financial education is urgent. Yet, there are few centralized efforts to eradicate financial illiteracy; annual government expenditures in this area are only two cents for every \$100 spent on education. Currently, only 17 states require their students to take a personal finance class. As a result of these challenges, average Americans have fallen behind when it comes to financial literacy. Nearly 50% of individuals don't have a rainy day fund and can't cover a \$400 emergency, almost 20% spend more than their income, and over 30% pay only the minimum credit card balance.

Lack of financial education is particularly detrimental for low-income communities, such as Lawrence, where 34% of the total population are living below the poverty line.

ACT Lawrence has been addressing these issues for the past two decades. With its effective programming, it has demonstrated that when equipped with the right tools and personal support, residents can successfully overcome the challenges of high levels of debt, inadequate housing, and low credit scores.

Two-Year Goals

- Increase the number of participants who receive education and financial counseling by 20% in two years
- Restore micro-enterprise initiatives by implementing a series of business assistance workshops and offering coaching support for entrepreneurs
- Increase participants in financial coaching sessions by 20%
- Expand efforts for youth job creation and offer employment training to 50 Lawrence high school students

Ways to Invest

FINANCIAL

- \$100,000 funds program improvements and new learning technologies to reach a broader audience
- \$65,000 funds a staff position for expansion of existing programs and financial management tools
- \$50,000 sponsors internships and youth leadership events for one year

IN-KIND

- Coaches, counselors, and workshop presenters with financial expertise
- English and Spanish translators
- Computers, projectors, and other equipment for classrooms
- Conference and classroom space

Leadership & Governance

Ana Luna, Executive Director, holds a master's degree in public policy from Tufts University. Since 1996, working with staff and volunteers, she has led the development of programs and services, helping the organization achieve steady growth within core areas. The Board of Directors represents members of the community served by ACT Lawrence and organizations within the city.

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Through their tireless work, ACT Lawrence has been instrumental in developing our community. I've proudly supported their programs and look forward to seeing their tremendous work as they continue to support neighbors in our city.

FRANK MORAN

State Representative,
17th Essex District

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ACT LAWRENCE'S MODEL



PROGRAMS AND SERVICES

Through education, counseling, and coaching, ACT Lawrence helps individuals and families successfully solve problems caused by lack of financial management skills, high-levels of debt, and inability to qualify for safe and affordable housing. Participants from youth to senior adults gain skills and confidence in order to control their finances and achieve sustained economic health.

ACT Lawrence provides the following services:

- Financial and housing counseling to help people understand various housing options and navigate through crisis situations
- Coaching delivered in multi-sessions with Merrimack college student coaches
- Home-buyer education that focuses on key steps in the purchasing process
- Credit Builder programs and other resources for developing a strong credit history
- Financial literacy training, internships, and paid summer jobs for youth
- Arlington Breakfast Club and other neighborhood improvement activities

By focusing on the economic and social well-being of individuals and families, ACT Lawrence has played an integral role in rebuilding neighborhoods and creating a livable city. Specific educational and counseling services have made it possible for participants to make better choices about housing solutions and have helped them to develop capabilities needed to improve credit scores, reduce debt, and increase savings. All programs and services are available in English and Spanish in a bicultural environment.

“

I had a lot of debt and didn't know what to do. I met with my ACT financial counselor. We developed a plan for saving money, paying off my debt, and following my budget. I saved more and spent less. Now, my goal is to save enough for a down payment to buy my house.

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PEDRO

ACT Lawrence Client



Key Investors

- CHARLES SHANNON INITIATIVE
- CITY OF LAWRENCE
- COMMONWEALTH OF MASSACHUSETTS
- ESSEX COUNTY COMMUNITY FOUNDATION
- MASSACHUSETTS DIVISION OF BANKS

Partners

- BREAD & ROSES HOUSING
- CAPITAL GOOD FUND
- MARY IMMACULATE HEALTH CARE SERVICES
- MERRIMACK COLLEGE
- UNITED WAY (CITC)

Homebuyer Workshops and Financial Counseling

ACT Lawrence offers two, five-hour workshops to first-time home buyers. Participants learn about financial requirements and processes for purchasing a home. After the workshops, one-on-one counseling is available to review credit history and create an individualized plan, set a savings goal, and develop specific actions for establishing a credit rating. Ongoing counseling is available to track progress and to get help with handling crisis situations.

Other workshops on specific topics for housing and rentals share guidance for homeownership and tenant/landlord considerations. Plans for 2019 include financial workshops for new entrepreneurs and evaluation of new learning tools and mobile applications.

Financial Coaching

ACT Lawrence and Merrimack College partner to help families become financially stable through goal-setting, budget planning, and specific advice for handling personal finance situations. The program consists of three workshops and six coaching sessions over the course of three months. The ACT Lawrence and Merrimack collaboration is a unique model that engages college students as financial coaches. Merrimack faculty members prepare students for their coaching engagements and provide guidance throughout the process.

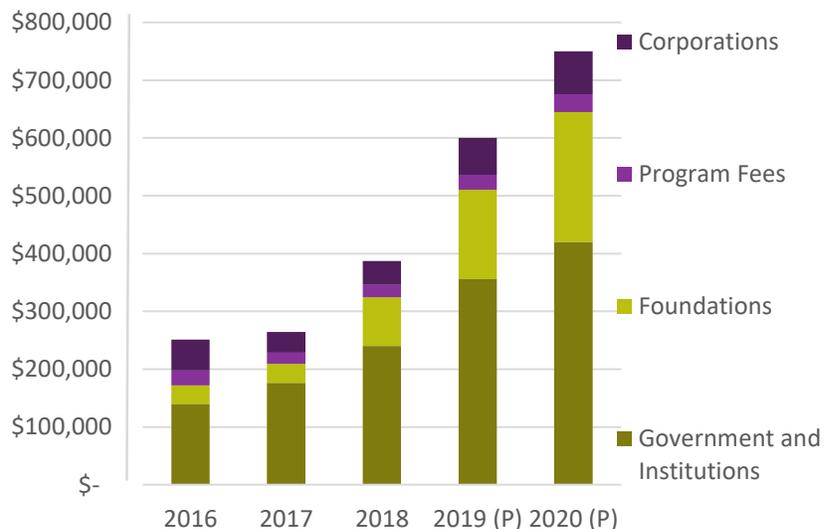
Youth Jobs and Leadership Development

The youth initiative for low-income participants ages 14-22 offers a wide range of life-changing experiences, including community organizing, internships, and job placements that help prepare them for college and future employment. All receive financial literacy training and open bank accounts for savings as part of money management education.

FINANCIAL SUSTAINABILITY

Over the last 20 years, ACT Lawrence has developed multiple sources of funding, including those from businesses, government, and foundations. Fees for programs and services have provided stable income.

Revenue by Source



Success Story: Altagracia

When Altagracia came to ACT in 2014, she wanted to check her credit rating and learn what the requirements were for owning a home. As she reviewed the accounts in her credit file, she saw that some charges were not hers and that a Chapter 7 Bankruptcy had been filed under her name. She learned that she had become a victim of identity theft.

Working with an ACT financial counselor, Altagracia obtained legal support and advice for rebuilding her credit rating. ACT arranged a referral to Legal Aid, which provided guidance for filing a report and resolving issues, so accounts that were not hers could be removed from her credit file. Altagracia continued her education about home ownership. While learning about the requirements for buying a house, she also found steady employment.

After three years, Altagracia had completed home ownership requirements, restored the credit rating that had been blemished by identity theft, and saved over \$20,000 for a down payment and closing costs. Towards the end of 2017, she became the happy and accomplished owner of a three-family home in Lawrence.



PROGRAM PERFORMANCE AND ORGANIZATIONAL HEALTH

Below is a summary of the key measures that ACT Lawrence tracks to demonstrate progress, create internal accountability, incorporate lessons learned, and adjust strategy as needed.

	FY 2018	FY 2019 (P)	FY 2020 (P)
PROGRAM PERFORMANCE: PARTICIPANTS			
Homebuyer workshops and counseling	400	450	480
Financial coaching	80	90	100
Youth leadership program	30	40	50
Community improvement activities	1,200	1,300	1,400
ORGANIZATIONAL HEALTH/CAPACITY-BUILDING			
Number of full-time equivalent employees	5	7	8
Number of board members	7	7	9
Number of volunteers	60	75	90
Number of partnerships	3	4	5
Total Revenue	\$385,671	\$600,000	\$750,000

SOCIAL IMPACT

By providing education, advisory services, and financial planning tools for overcoming systemic poverty, ACT Lawrence is building stronger neighborhoods and helping to stabilize the lives of residents and business owners. Children are able to stay in the same schools and gain continuity in education, increasing opportunities for future success. Youth leadership programs promote the value of savings and money management for individuals and service to community through neighborhood improvements projects.

2020	INDICATORS FOR ACT LAWRENCE
80%	Participants will achieve at least 20% reduction in personal debt after completion of workshop and financial counseling sessions.
20%	Improved credit ratings for participants in credit builder program and counseling sessions.
40%	First-time homebuyers who complete the workshop and financial counseling process will be able to obtain approved mortgages.
10	Business owners will be provided with workshops and financial coaching. This is a new initiative for supporting entrepreneurs.
90%	Youth participants will complete the leadership and financial literacy program.