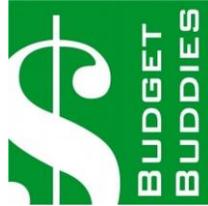


# Budget Buddies



**FOUNDED:** 2011

**CURRENT ORGANIZATION BUDGET:** \$250,000

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## Investment Opportunity

Budget Buddies seeks an investment of \$900,000 over the next two years in order to triple the number of low-income women served by its program. The key to growing impact quickly and efficiently is launching an affiliate network. Investment is needed to expand the core Budget Buddies staff both to deliver more centrally managed programs in the Lowell/Lawrence area, and to qualify, train, support, and, in some cases, help subsidize agencies in Eastern Massachusetts and Southern New England that wish to deliver their own financial literacy programs using the Budget Buddies model.

Budget Buddies builds the financial literacy and confidence of low-income women through a unique, award-winning, six-month program that combines instructional workshops with one-to-one coaching. Budget Buddies delivers programs by partnering with social service agencies to tailor curricula to the specific needs of their clients and foster a sense of community and mutual support with each program. By engaging volunteer coaches and presenters from local businesses, Budget Buddies makes efficient use of community resources to deliver essential financial education to those who need it the most.

Through its supported training model, Budget Buddies works to end the injustice of poverty and offers women a path to financial stability.

- Women begin at a financial disadvantage: they earn 20% less than men, are 50% more likely than men to work part-time, and take time from work to care for their families.
- Low-income households typically lack access to the financial education they need, leading to poor money management and financial decision-making.
- Basic financial skills and self-efficacy are the foundation for improved decision-making and personal outcomes.

## Two-year Goals

- Increase from 8 to 12 the number of six-month financial literacy programs Budget Buddies operates in Lowell/Lawrence
- Launch and oversee 10 affiliate programs at social service agencies in Eastern Massachusetts
- Expand staff capacity to qualify, train, and support affiliate agency programs and their teams
- Strengthen program evaluation methodology

## Ways to Invest

### FINANCIAL

- \$15,000 helps fund a part-time development coordinator to enable revenue growth, with a particular focus on individual donors
- \$7,500 funds one new six-month Budget Buddies program
- \$2,500 provides a scholarship to an affiliate agency that lacks the resources to fully fund the program at its site

### IN-KIND

- Volunteer to be a presenter for a financial literacy workshop
- Volunteer to be a coach to mentor a “buddy” during the six-month program
- Offer professional services to support program evaluation and design of longitudinal impact tracking

## Leadership & Governance

Anita Saville, Executive Director, a former editor at Fidelity Investments, has written about women's finance for more than 25 years. Kathryn Brough, Director of Operations, has extensive business management experience and has volunteered in multiple nonprofit organizations for nearly 20 years. They are supported by the dynamic team of Julie Lemire, Coaching Coordinator, Katie Stoll, Program Coordinator and Katie Neville, Volunteer Coordinator and Business Manager. Budget Buddies' eight-member board comprises members from the banking, financial services, business, and nonprofit sectors, as well as academia.

## THE BUDGET BUDDIES MODEL

### Helping Women Help Themselves



“

**Budget Buddies provides crucial focus on *creating aspiration*, so that even the single mother struggling with her finances can see and pursue a better future for herself and her family.**

DEBORAH GOLDBERG

MA State Treasurer

”



## READINESS WORKSHOPS AND CLASSROOM INSTRUCTION

In pursuit of their vision of a world in which all women are financially empowered, Budget Buddies has developed a program designed to build skill, influence behavior, and instill confidence in the women who participate. Budget Buddies has developed a core curriculum of personal finance topics and partners with local social service agencies to deliver instructional workshops. Workshop participants are drawn from the clients of the agency, and workshops are conducted on site at the agency. As part of the program, Budget Buddies carefully pairs each participant, or “buddy,” with a volunteer coach. The coach attends workshops with her buddy, helps her apply what she has learned in class to her own life, and meets with her individually between workshops to further address the buddy's personal financial issues.

The Budget Buddies program begins with **Readiness Workshops** at which each participant learns essential money-management terms and receives an orientation to the program that encourages her to participate in interactive discussions.

**Classroom Instruction** is customized to the needs of the agency and delivered in 10-12 workshops over a six-month period. Workshops are limited to 15 participants and taught by volunteer presenters from local banks, businesses, and other organizations. These workshops increase skills in essential areas (such as budgeting, banking, and credit) and are focused on building buddies' financial self-esteem. Some are designed to help women move from shelters to permanent housing. Others help women who have their own childcare businesses or want to own a home through Habitat for Humanity learn the fundamentals of taxes and insurance. The workshops lay the foundation for sound money-management practices that the coaches can reinforce in one-to-one sessions.



**We stand in awe of the financial savvy our residents have developed. All of our residents have significant domestic and sexual trauma in their backgrounds, and many of them come to us homeless as well. The BB program has been the first program we've used that has *unlocked* the grip that financial woes inflict.**

MARY O'BRIEN

Executive Director,  
YWCA of Greater Lawrence



## ONE-TO-ONE COACHING

A crucial element to Budget Buddies' impact is the one-to-one coaching provided to each buddy. This innovative, highly individualized mentoring component assures that financial education delivered in the instructional workshops is applied in a practical and sustainable way. Volunteer coaches typically work with their buddies for about 25 hours during and in between the workshops over each six-month program to supplement classroom instruction and address personal money-management issues. Many devote significantly more time – helping their buddies pursue job opportunities, learn to shop effectively, or complete other tasks that will enhance their financial stability.

Budget Buddies has built a strong roster of volunteer coaches and invests in supporting them. The Budget Buddies Coaching Coordinator trains each coach and is readily available to answer her questions and facilitate the relationship with her buddy. A monthly Coaches Exchange session gives coaches the chance to share their experiences and advice with each other.

## FINANCIAL SUSTAINABILITY

Budget Buddies has operated on a small budget but will need to increase that budget significantly to meet the rising demand for its services. With limited focus on fundraising to date, the program has had great success in attracting corporate and foundation funders. Over the next two years Budget Buddies plans to invest in grant writing, developing individual donors, and building corporate partnerships to enable planned growth. In addition, fees generated from Budget Buddies affiliates are expected to help cover affiliate program implementation and ongoing support costs.

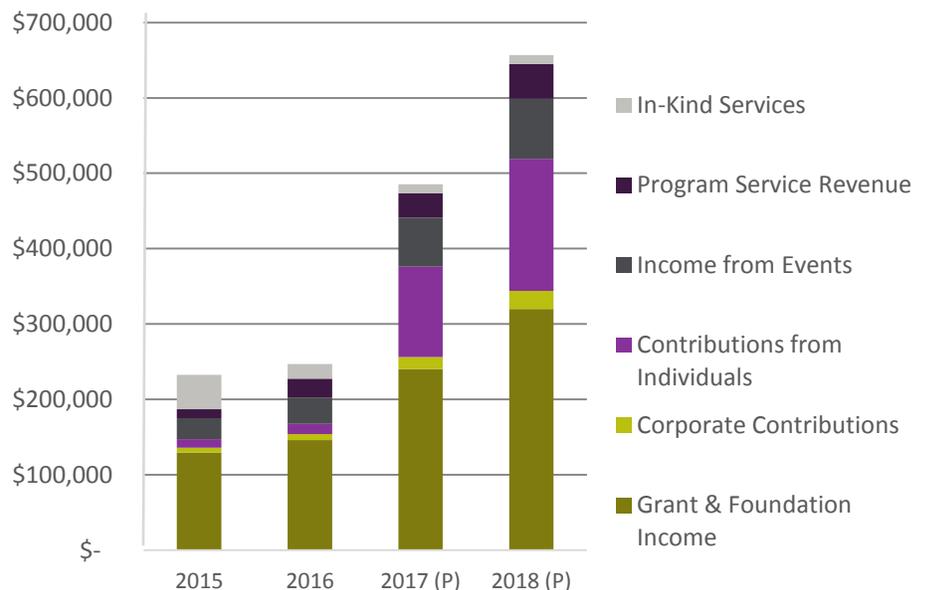
### Key Investors

- EILEEN FISHER, INC.
- MA STATE TREASURER'S FINANCIAL LITERACY TRUST
- THEODORE EDSON PARKER FOUNDATION
- OSTERMAN FAMILY FOUNDATION
- TD CHARITABLE FOUNDATION

### Partners

- JEANNE D'ARC CREDIT UNION
- UMASS LOWELL
- JERICHO ROAD PROJECT
- ENTERPRISE BANK
- NETSCOUT SYSTEMS
- TYCO SECURITY WOMEN'S GROWTH NETWORK

### Revenue by Source



## Success Story: Jackie

Talking about your finances can be tough. When Jackie, a young mother of four, started Budget Buddies, she was struggling with bad credit. She had no budgeting skills, no savings account, and no idea what a credit score was. It took courage to enroll in the Budget Buddies program. “It was scary,” Jackie explains, “but I wanted to do things like take my kids on their first vacation.”

At Budget Buddies, Jackie developed a strong friendship with her coach, Liz, that has lasted five years. “We hit it off right away,” Liz says, “but I was overwhelmed at first. There was no ‘wiggle room’ in Jackie’s budget.”

With Liz’s help, Jackie learned that she could talk to creditors about her debts and trim her monthly cable bill. Liz also helped her build savings and modify her larger goals. She has not taken her family on vacation yet, but she did treat them to a day in Boston to enjoy the Duck Boat Tours!

Her new confidence has made Jackie a strong role model for her family. When leaving home, her daughter chose a smaller apartment so she could save for a better car. “She’s thinking about what she really needs, not just what she wants,” says Jackie.

Liz, a financial advisor and now a presenter with Budget Buddies, sees that the money-management challenges program participants face are similar to those of women she knows professionally.

“One of the things I admire most is what a wonderful mother Jackie is,” says Liz. And Jackie treasures her friendship with Liz. “I’m a private person,” says Jackie. “But I took a chance on Budget Buddies, and I’m so glad I did!”



## PROGRAM PERFORMANCE AND ORGANIZATIONAL HEALTH

Budget Buddies plans to serve more women and expand its reach geographically, demographically, and linguistically through a new affiliate network. Additional staff will focus on supporting the growth of the current program, launching and supporting Budget Buddies affiliates, enhancing program evaluation, and building out a robust development strategy, that includes individual and corporate giving and expanded corporate and private grants.

	FY 2016	FY 2017 (P)	FY 2018 (P)
<b>PROGRAM PERFORMANCE</b>			
Increase Budget Buddies programs in Lowell/Lawrence	8	10	12
Launch Budget Buddies Affiliate Network	pilot	4 affiliates	10 affiliates
Increase number of women served by the program through Budget Buddies central and affiliate programs	80	168	265
<b>ORGANIZATIONAL HEALTH/CAPACITY-BUILDING</b>			
Add new staff to Budget Buddies central program and administrative team	Program & Grant-Writing	Admin & Development	Marketing Coordinator
Add staff to support affiliate program	Recruit Affiliate Coordinator	P/T Affiliate Coordinator	F/T Affiliate Coordinator
Launch Affiliate Training Program	Pilot Affiliate Training	Training & Quarterly Affiliate Mtgs.	Training & Quarterly Affiliate Mtgs.
Total Revenue:	\$220,000	\$480,000	\$650,000

## SOCIAL IMPACT

Budget Buddies uses pre- and post-program participant surveys to measure the impact of the six-month education program and coaching on participants. They also gather feedback from coaches concerning the progress of each buddy. While program participants experience significant skill-building gain, the crucial measure is the increase in their confidence that what they have learned and the behaviors they have developed will enable their success moving forward.

INDICATOR	MEASUREMENT
Maintain the average rate at which program graduates use a budget	100%
Maintain the average rate at which program graduates pay bills on time	>95%
Maintain the average rate at which program graduates put away money for savings	>95%
Maintain the average rate at which program graduates are confident about their ability to manage money	>70%
Maintain the average rate at which program graduates are confident in their ability to pay off their debt	>70%