



# Annual Report 2006/2007



# Our Mission

**Our mission is to help individuals and families achieve their financial goals through comprehensive financial fitness programs (tools, information and assistance) in partnership with sponsoring organizations.**

# A Message from Our President

When we created BALANCE, we believed if we could reach people before they were in a financial crisis, and before they were considering bankruptcy, that we could make a difference. We wanted to help families achieve their financial goals – whether those goals were to get out of debt, save for a first home, or plan for a secure retirement. And we hoped that in the process, we might be able to save a few jobs, a few marriages, a few families.

To say I'm proud of what we've accomplished would be an understatement. We partner with more than 400 organizations – credit unions, employee assistance programs, and employers – who share our values of the importance of financial education, and the belief that professional financial advice should be available to all families regardless of income level, and our vision that we can and do make a difference - every single day, one family at a time. This year, nearly 200,000 individuals and families will contact BALANCE with questions or concerns about their personal finances or credit. Our staff of professional, caring counselors will guide them through their immediate challenges and direct them to long-term solutions.

Over the past ten years, we've been honored to work with so many wonderful groups who are committed to the success and empowerment of their members and their employees, and have turned to BALANCE as their trusted partner in their efforts.

We've been blessed with a Board of Directors who gave us their total support to explore a new concept, even when we had little more than anecdotal experience that there was a need for our services. And we've been fortunate to find and keep a team of dedicated, committed employees who give their all to our organization and every family who turns to us for help.

While we're proud of what we've accomplished, we're eagerly looking forward to the next ten years, and finding even more ways to create financially stable families and stronger communities.



# Individual Needs, Individual Counseling

In 2006, over 150,000 consumers chose to contact BALANCE for help in reaching their financial goals. They were referred by their employers, their employee assistance programs or their credit unions. They contacted us with questions about money management, credit reports, home purchase, identity theft, mortgage delinquency, breaking the payday loan cycle, and scores of other personal finance issues. Our counselors were able to help many of our callers immediately, by providing guidance, resources and tools. Others, with more complicated situations, scheduled future counseling sessions.

Many of our counseling sessions focus on the key elements of money management, savings, and debt repayment. Our counselors help families identify their challenges and develop specific and realistic plans of action to reach their goals of debt reduction, short and long-term savings, or home ownership. Through credit report review education and counseling, many of our clients are able to improve their credit standing – allowing them to move from depending on expensive fringe financial services into the financial mainstream, with access to reasonably-priced car or home loans. Others, concerned with identity theft and fraud, learn the keys to protecting their information, and recovering from the damage if they've been victimized.

Our credit union partners have found that some of their members need specific counseling and



education in order to qualify for special loan or savings programs they offer. In many cases, our partners require a specialized counseling session with a specific focus. By participating in the counseling, the member not only has a chance to develop essential credit and financial management tools, but also to demonstrate his commitment to financial success to the credit union.

We continue to work closely with our partners to identify member needs and develop new specialized counseling programs to support their initiatives. Currently, 85 of our partners use our specialized counseling to ensure their members' understanding of specific credit and money management issues, including home purchase, car buying, checkbook balancing, understanding credit, loan extensions, breaking the payday loan cycle, foreclosure prevention, student loans and first time borrower programs.

# Education and Training

To meet the changing needs of our partners and the families they serve, each year we expand our education programs. We increased the number of workshops we offer to twenty, adding *Your Credit Score*, *Using Home Equity*, *Personal Finance for College Students and Teens and Money*. We also expanded the number of workshops available in Spanish to eight.

In support of our partners' commitment to education, in 2006 our educators presented 124 workshops for nearly 3500 attendees. In addition, many of our partners choose to license our workshops to present themselves. Once a partner licenses a workshop, they are free to use it when and where it best suits their employees, client companies, or members. Today, 117 of our partners hold licenses for more than 300 workshops.

In 2006, we developed a regional train-the-trainer program. In these day-long meetings, representatives from area credit unions work together with a BALANCE trainer on partnership best practices and the content of one of our workshops. In 2006, we held five train-the-trainer sessions for 110 representatives from 56 credit unions. In 2007, we will work with 145 representatives from 80 credit unions in seven regional sessions.

Based on the success of InBalance, our online checking account education program, we developed BalanceTrack, an online personal



finance education center. Consisting of a series of self-guided modules, BalanceTrack provides an overview of all elements of personal finance.

Our credit union partners use BalanceTrack for staff training, as well as to provide financial literacy tools for their members, supporting their mission of education, and differentiating them from other financial institutions. Members completing these programs demonstrate their commitment to financial success and become better prepared to manage their finances – as well as the products available through the credit union. Because each module includes a quiz to measure understanding of the content, and we share the results with the referring credit union, the modules can be used as a requirement for special loan or savings programs.

# Partnership

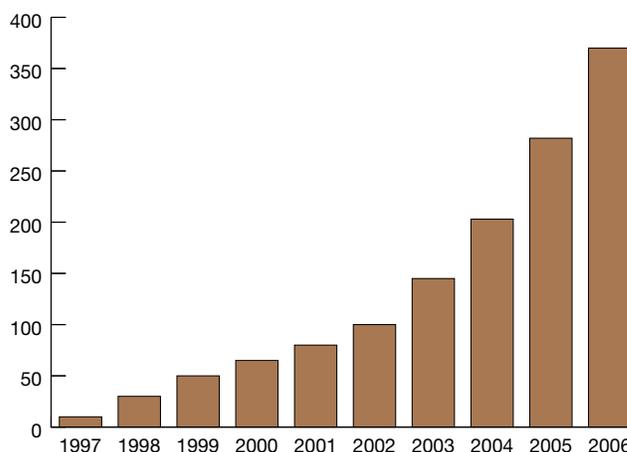
## Ten Years of Partnership

BALANCE is proud to work in partnership with over 420 organizations, representing more than twenty million families from all walks of life. These employers, employee assistance programs and credit unions are committed to ensuring their employees' and members' financial success and demonstrate that commitment through sponsoring and promoting the counseling and education available through our partnership.

In 2007, we celebrate the ten-year mark of two very significant partnerships. We began our first EAP partnership in 1997. The partnership was with NEAS, an international EAP and work/life organization, who chose to add financial education and counseling through BALANCE to their services.

Also in 1997, we began our first credit union partnership. San Mateo Credit Union, serving the families of San Mateo County, California, was right in our backyard. Our parent organization, CCCS of San Francisco, had been serving SMCU's members who needed credit counseling and Debt Management Plans. San Mateo Credit Union was looking for a more proactive program that could reach more of their membership – and reach them before they were struggling. Although BALANCE was initially conceptualized as a service for employers and EAPs, we modified our program to meet SMCU's needs – creating our credit union partnership model.

### Partnership Growth 1997–2006



Ten years ago, when we began these two partnerships, we had a vision of what financial counseling could be. NEAS and San Mateo Credit Union shared that vision, and lent their expertise to help us shape and polish our program into one that could meet the needs of many EAPs, employers and credit unions.

Today, Tim Sumiec, the Manager of Field Operations for NEAS, and Barry Jolette, the CEO of San Mateo Credit Union, serve on our Board of Directors and continue to share their expertise and guidance as BALANCE explores new programs and partnerships. We are honored to have worked with these organizations, each widely regarded as leaders in their respective fields, for the past ten years.

# Supporting Small Credit Unions

There is a natural fit between our counseling and education services and the credit union philosophy of people helping people. We are very proud that today we provide our services to over one-third of the largest credit unions in the country, the “billionaires”. We’re equally proud, though, of our relationships with small community development credit unions. In many cases, small credit unions serve the traditionally underserved – often the people who could most benefit from financial guidance and support.



BALANCE is committed to finding ways to efficiently and affordably deliver service to the staff and members of the smallest credit unions through creating innovative partnerships. In 2006, through a partnership between First Carolina Corporate Credit Union, State Employees’ Credit Union, Local Government Employees Federal Credit Union and BALANCE, all credit unions in the state of North Carolina with less than \$25 million in assets were offered access to our service at no charge. In 2007, we extended the partnership to include North Carolina credit unions with less than \$50 million in assets. Later in the year, we expanded the partnership with First Carolina Corporate Credit Union further to include all credit unions in South Carolina with less than \$50 million in assets as well.

to offer our services to policy members of the Federation with less than \$25 million in assets. This partnership was funded through the Federation, as well as the generosity of ten of the Federation Community Development Partners: America First Credit Union, Andrews Federal Credit Union, BECU, GTE Federal Credit Union, Navy Federal Credit Union, Orange County Teachers’ Federal Credit Union, Patelco Credit Union, State Employees’ Credit Union, Suncoast Schools Federal Credit Union and Truliant Federal Credit Union.

In the years to come, we hope to use these models to extend our service to ensure that all members of all credit unions, no matter the asset size, have access to financial education and counseling to help them reach their goals.

Through a similar partnership, BALANCE began working with the National Federation of Community Development Credit Unions

# Families Served

As the number and scope of our partnerships grow, each year we work with increasing numbers of families who turn to us for help and hope. In 2006, over 150,000 individuals and families came to us for assistance in improving their financial situation. At the mid-year point, we project that nearly 200,000 consumers will reach out to us in 2007.

Through developing new counseling and education programs and exploring new delivery methods, we are committed to enhancing our service to continue to meet the needs of our partners and the families we serve together. While innovation and growth can be challenging, we are committed to maintaining our quality standards to ensure that we meet each of the clients we counsel at their point of need, and provide positive support in helping them reach their financial goals

We are proud to support our partners in their initiatives, while helping so many individuals and families achieve and maintain financial success. We look forward to many more years of helping consumers nationwide overcome their financial challenges and reach their goals.

## Families Served in 2006

InfoLine Callers	<b>155,470</b>
Counseling Sessions	<b>21,402</b>
Workshops	<b>124</b>
Workshop Attendees	<b>3391</b>
InBalance Submissions	<b>8160</b>
BalanceTrack Submissions (January–June 2007)	<b>2059</b>

# Our Board of Directors

We thank our volunteer board of directors for their insight, guidance and support.

**Barry Jolette, Chairman of the Board**

San Mateo Credit Union/CEO

**Susan Fritts, Treasurer**

Customer Advantage Consulting/President

**Suzanne Sheuerman, Secretary**

Smith Barney/Financial Advisor, Wealth Management

**Tim Sumiec, Director**

NEAS/Manager, Field Operations

**Tristram Coffin, Director**

Alternatives Federal Credit Union/CEO

**The Honorable Judge Marilyn Morgan Grube, Director**

U.S Courts/Federal Bankruptcy Judge

Thank You

**We are proud to have  
helped so many families move  
toward financial freedom.**