



Personal Focus. Broad Impact.

ANNUAL REPORT 2022

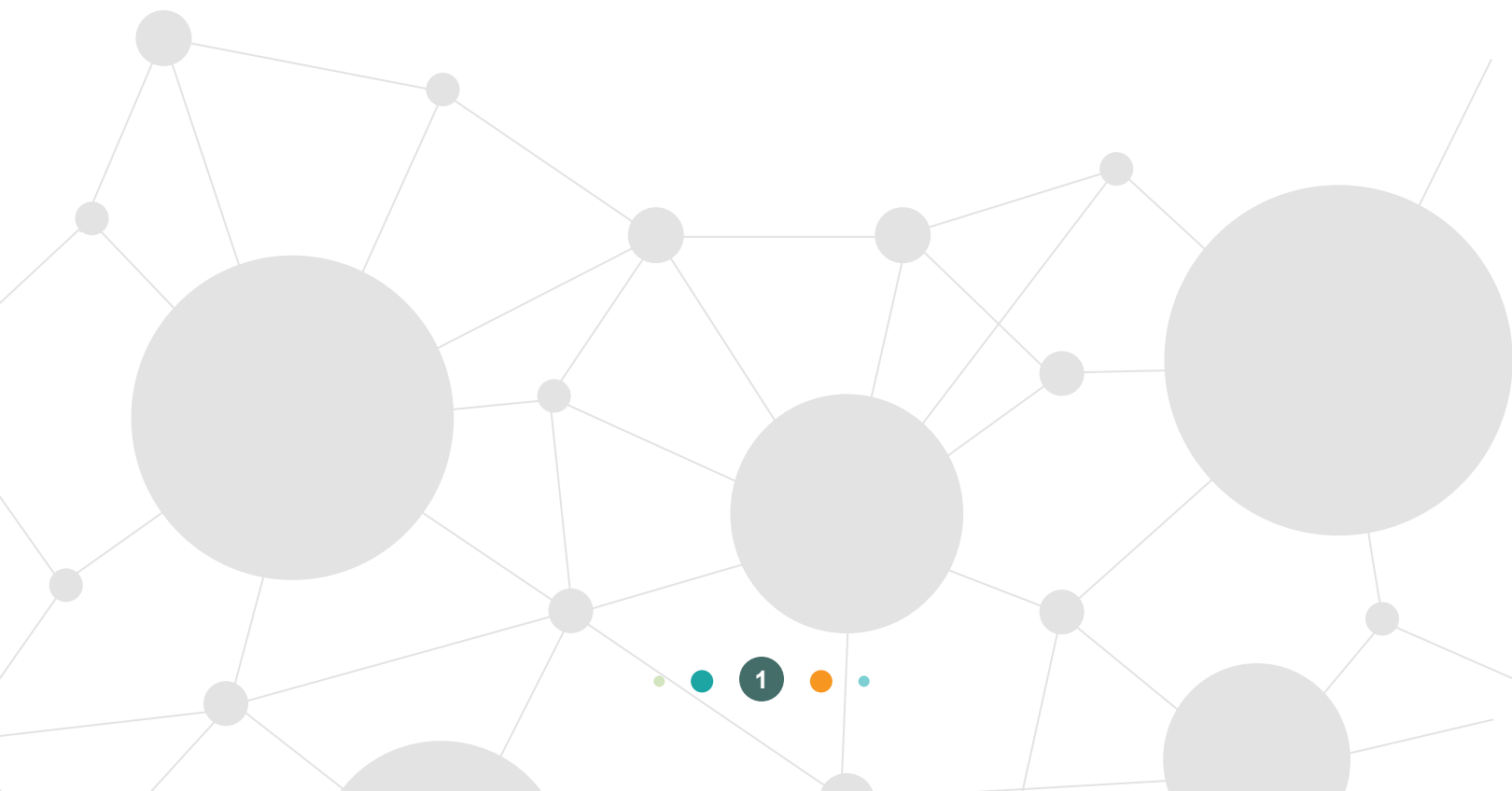


● Personal focus.

Those we serve are at the core of everything we do at BALANCE. Our devotion to meeting the financial empowerment needs of each individual we help has fed into educational and counseling approaches rich in empathy, versatility and personalized solutions. The BALANCE mission of ending intergenerational poverty begins with one interaction with one person and grows until it raises the standard of living for entire families for years to come.

● Broad impact.

By taking the time to create techniques and tools for caring guidance, we build connections that drive results on a large scale. With more than 100,000 people in need helped in 2022, BALANCE improves the quality of life and makes dreams possible for a broad swath of the population.



About BALANCE

Established in 1969, BALANCE is a national non-profit organization breaking the cycle of generational poverty by empowering individuals and families to take control of their financial lives.

Through partnerships with Government-Sponsored Enterprises, municipalities, employers, credit unions, EAPs, non-profits and banks we help consumers nationwide achieve financial wellness with end-to-end financial education and counseling:

- **Money management and debt reduction**
 - Budget development
 - Debt repayment strategy
 - Student loan counseling
- **Credit report education**
 - Credit report review
 - Identity theft prevention and solutions
- **Housing and homeownership**
 - Pre-purchase
 - Foreclosure prevention
 - Rental
 - Reverse mortgage
- **Smart Money coaching** - A San Francisco based financial coaching program aligned with social services
- **Youth financial education**
- **Workshops and webinars nationwide**

Chairman's Report

As the Board Chair for BALANCE, I take immense pride in sharing the progress, accomplishments and positive impact we have made in helping individuals and families better manage their financial health over the past year. In presenting the Annual Report for 2022, we reflect on the challenges and triumphs that have defined the work we do at BALANCE, which remains as vital today as it was when we first opened our doors in 1969.



Over the past 50+ years, the personal financial landscape in America has evolved in many ways, presenting new complexities and financial challenges for consumers. In 2022, we witnessed tensions brought on by the emergence from the Covid epidemic that led to higher inflation as well as increases in interest rates that negatively impacted personal debt for mortgages, auto loans and credit cards. Many Americans faced increased financial stress as a result, as distressed mortgages persisted in many states, and a significant number of individuals struggled to cover even a small emergency expense.

At BALANCE, we recognized these pressing issues as a call to action—a responsibility to foster positive change in the financial lives of the people we serve. Throughout the year, we forged new partnerships with organizations that complemented our services, allowing us to extend our reach and provide essential financial education in workplaces, communities, online and in classrooms.

In addition to serving those facing financial hardship, we continued to expand our efforts to support those pursuing financial milestones, such as purchasing a first home, seeking

higher education and planning for retirement. Our dedicated team of counselors worked tirelessly to offer guidance, build budgets, handle debt, improve credit and help people achieve their financial goals.

Our partnerships with non-profit organizations, financial institutions, employee assistance programs, employers, government agencies, and municipalities played a crucial role in our ability to provide comprehensive financial services. We are grateful for their continued support in realizing our mission and objectives.

In 2022, BALANCE celebrated its 53rd year of service, a testament to our commitment and dedication to empowering individuals and communities financially.

As we look ahead, we remain focused on our purpose: to make financial empowerment a reality for individuals from all walks of life. We will continue to foster positive change in the financial lives of individuals and families nationwide, providing essential financial counseling, education and support to create financially healthy communities.

On behalf of the BALANCE Board of Directors, I extend my heartfelt gratitude to our partners, clients and employees for their unwavering dedication to our mission. Your support and commitment have been instrumental in helping us navigate through challenging times and to make a positive impact on the lives of so many.

Sincerely,

A handwritten signature in blue ink that reads "Thomas A. Layman". The signature is fluid and cursive, with a large initial "T" and "L".

Thomas Layman,
BALANCE Board Chair
CEO/Founder, Global Vision Group

● A Message from the CEO

2022 was a significant year for me, personally and professionally. It was the year I lost my wife of over 30 years to cancer. So many of the BALANCE community – from the board to our business partners to our team- provided comfort and support through the worst time of my life, and I genuinely appreciate it.



I've always considered myself empathetic to our clients' struggles – after all, I wouldn't have committed my career to helping people if I wasn't. But when, for the first time in decades, I had to deal with the household finances – figuring out where everything was, making sure I had due dates straight and automatic payments set up on the correct accounts, and the dozens of other things my wife did every day to ensure our household finances ran smoothly - I had a new perspective into the stress many of our clients deal with regularly. I talked to our team about it, and we even created a new workshop, Surviving the Death of a Loved One, to help other families undergoing the same significant life adjustment.

Our coaches and educators approach each of our clients with this same level of empathy and a client-focused perspective. The humanity they bring to every call, meeting, workshop, and coaching session allows them to make a difference in the lives of the families we serve. This humanity and empathy underscores what we do each day. Through over 50 years of serving our community, we've learned that every one of our clients has a story to tell – and each needs to be heard with our hearts and minds open to help these families overcome the obstacles they've encountered and move toward financial wellness. It's a privilege to be part of so many of these stories.

Warm Regards,

Enrique C. Delgadillo

Enrique C. Delgadillo
President and CEO

Housing Counseling

Our HUD-certified counselors and educators help families with one of the major milestones of financial wellness—homeownership. Through pre-purchase and post-purchase counseling, along with foreclosure prevention education, we work to ensure our clients are prepared for successful homeownership.

For families not quite ready to purchase but in need of safe and secure housing, we help with rental counseling and connections to rental assistance programs. And for families ready to take advantage of the equity they've built in their home over the years to secure their financial wellness in retirement, we provide reverse mortgage counseling.



Housing Counseling Success Stories

We had the case of a client who owed \$178k in delinquent property taxes on a home he inherited in SF. The client had no mortgage on it and was at risk of losing the home at auction. Within a matter of days from the initial referral, Chris worked closely with different entities including, HSF, MOHCD, and the tax assessor's office to halt the sale at auction. Just three days before the auction date, the tax assessor's office agreed to take the property off the list for this year to allow the client to sell the home.

Our client and his wife were impacted by the pandemic, causing them to have months without pay and when they went back to work, they had to rotate work shifts so that they could provide care and schooling for their 3 children. Following the session, we determined that a Flex Modification would make the most sense. Things didn't go as planned, between 4-5 conference calls, escalations within the servicer and from our side to Freddie Mac having no positive results, we tried Freddie Mac once more. Several weeks later they have been granted a TPP based on a 3.50% rate over the 40-year term with payments due May, June, and July 2022.

The client met with Mari in May 2022 for their initial DK counseling session. The client was feeling discouraged because at the time she had a credit score of 547. After speaking with Mari, she became determined to work on paying down her credit cards and improve her score. By August 2022, her credit score had gone up to 679! Client says it has been challenging, but our counselor continues to boost her confidence by focusing on the end goal of homeownership.

Ms. F is a senior citizen with a reverse mortgage, and she was feeling very confused about her situation and delinquency on her HECM loan. She had tried sending payments but was told that they wouldn't accept her installments and cancelled her Repayment Plan. After conducting counseling and a conference call to her servicer, PHH, we found that the reason her Repayment Plan was cancelled was due to not having the appropriate homeowner's insurance and so the servicer had to implement forced place coverage. This action increased the amount of advanced funds, which would require her repayment plan to be re-calculated. We were able to initiate the request for a new Repayment Plan and she received written confirmation that her plan was accepted. She's also now purchased the proper coverage for her condo so that in the future there would be no further need for the servicer to advance funds of any kind, which should allow her to maintain this Repayment Plan until her delinquency is resolved.

● Housing Counseling Success Stories (continued)

Client initially reached out for general information on mortgage assistance, shortly thereafter she received a notice of foreclosure sale slated for 7/13. Dean referred her to the Colorado HAF which denied her as her delinquency exceeded the program benefit limitations. He conducted a conference call and spoke with one of the program underwriters who explained her situation was more dire due to not having employment & the state did not wish to provide funds only to have a homeowner fall behind shortly thereafter. He advised if the homeowner could conduct counseling with an agency such as BALANCE and a case was presented to show otherwise, they could reconsider her application.

After speaking in more detail with the client, Dean determined that although she would show a budget deficit, which may deter someone from being approved for assistance, she had significant funds in a retirement account which could be utilized as income. He formulated a letter with said proposal to the underwriter of the Colorado HAF and that same day received confirmation she would be reviewed. Final outcome still pending.

Dear Dean & BALANCE,

Can I say I am in love with my housing counselor? I don't think there are words that can justify or properly describe how he has helped me during these unprecedented times. It is has been one of the most honest and helpful relationships I have ever experienced!

Dean has been extremely patient, always answering all my questions fully with thoughtful consideration, and of course, that amazing follow thru is something to be emulated. That sounds like something one would dream of, hope for, but it's true. It still amazes me how much a business professional could be so kind and helpful and thorough. I am truly grateful that I have been given this opportunity to trust during such scary times. Thank you, Dean, and BALANCE for walking into my life. The counsel and assistance has been immeasurable.

Best regards,
Devout BALANCE Believer



● Financial Fitness Coaching and Education

Through partnerships with credit unions, banks, employers, non-profits and EAPs we provide counseling and education nationwide to help the families they serve achieve financial wellness – however that looks for them:

- Manage money
- Repay debt
- Establish savings
- Take control of student loans
- Understand credit reports and scores
- Overcome identity theft
- Buy a home – or keep the one they have
- Plan for the future

Financial Fitness Testimonials



Sandra

Working in a financial institution I assumed I knew all there was to know about budgeting, saving money, and getting a higher credit score. I learned that I may have all the tools to help others but when it comes to taking the same advice I give to others, I fail to act on them myself.

My financial coach gave me monthly goals, budgets, and other tools to help me along my journey.

There were many moments when I felt defeated and doubted myself, like there was no way I would overcome all these obstacles and I ultimately wanted to call it quits but kept going. I started out not knowing the benefits of budgeting, my bad spending habits, and the importance of managing my credit to benefit me.

I created a budget for the first time, raised my credit score and increased my savings by \$4,522.



Alyssa

Throughout my experience with BALANCE, I can honestly say it was something that changed my life.

My coach gave me the tools to learn how to budget, and plan for my future. With the help of my coach, I was able to save a lot of money toward my wedding and pay off a good chunk of debt!

I am confident with the tools I was provided that I will now continue with a better financial future for myself and my family! Whenever I come across family, friends or members I always let them know all the benefits BALANCE can provide!"





● Smart Money Coaching

With many San Franciscans still looking to find their financial footing due to the effects of COVID-19, our team continued to serve as a lifeline for many families and individuals. Those facing inflation, stagnant wages and astronomical housing prices knew they could turn to us for help with the resources they needed to lead a life of safety, comfort and dignity. Keeping our focus on reaching more residents of the city with the highest quality empowerment tools possible, we did more to than ever to bring people out of the financial cold.



Smart Money Coaching Testimonials

“

I was homeless and receiving food stamps and Medi-Cal. I learned about Smart Money Coaching through the San Francisco Human Services Agency and although I was not required to attend, I decided that it could help me manage my growing debt. It would be an understatement to say that it changed my life. It has empowered me to find new income, reduce or eliminate my interest rates, move out of my car and into a home, and start keeping a budget again.

”

“

I had no good way of cashing checks except for check cashing and I saved money under mattress. My coach was patient, persistent, and offered many resources. I paid off old debt, removed fraudulent debt, and improved my credit score by 155 points. I went from feeling overwhelmed and powerless to now moving into an apartment, starting a business, and feeling financially secure.”

”

“

My coach created a safe space to talk about my finances with no judgement. I knew it was ok to drop the shame I felt about the position I was in. The follow up calls with my coach to review and update the plan have really helped me turn things around. I am deeply grateful for being part of this program. It feels like my coach has walked this journey with me every step of the way. I really appreciate his demeanor. He's very pragmatic and positive and I am getting results.

”

“

Before, I was afraid to talk about my finances. My coach helps me share honestly about my finances and teaches me about financial management without ever seeming condescending or judgmental. He helps make me more aware of what actions I have control over and how they contribute to my finances. Having someone to talk to regularly to assure that I'm keeping up with my goals has been extremely valuable. I'm not sure that I would have been able to follow through with my goals otherwise.

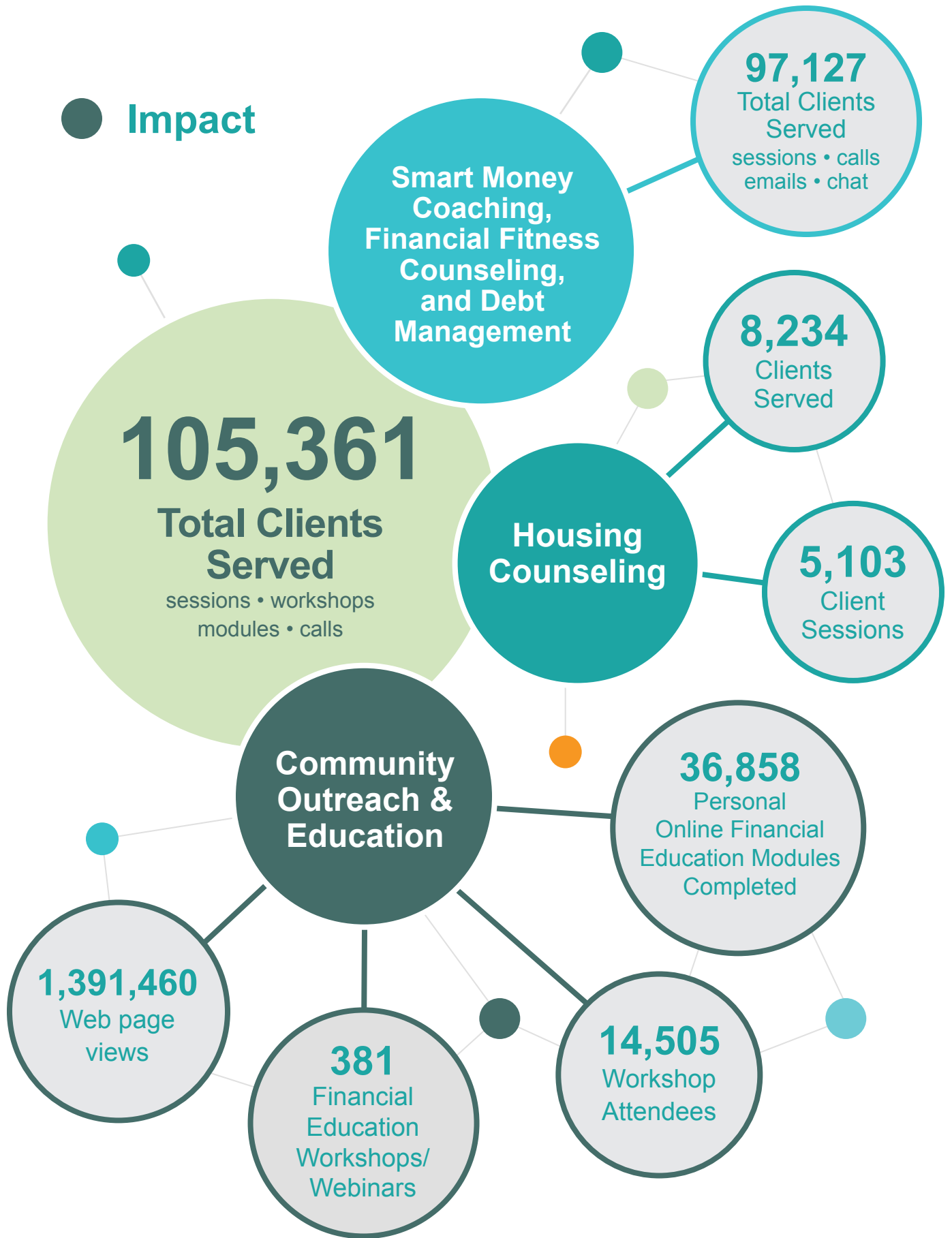
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I was in a ton of debt and in need of assistance understanding how to navigate my budget in the absence of cash flow and housing. My coach did a fantastic job helping me navigate my financial situation and created an action plan that truly helped set me up for success. I highly recommend his services. He is a professional who understands the stress of getting back on your feet and the importance of effective financial coaching and empathy.

”

● **Impact**



● Net Promoter Score

BALANCE 2022 cumulative Net Promoter Score: +66.75

Net Promoter Score, or NPS, is a tool used by companies and other organizations looking to evaluate the experience their clients have in using their products and/or services. Essentially, NPS measures satisfaction and loyalty. The data used in compiling the score comes from client responses to a single question on how likely the client would be to recommend either a specific product or service, or the entity as a whole, to a friend or colleague.

The range of NPS scores is -100 to +100, with a higher score reflecting more satisfaction. According to Retently, a customer experience management company and recognized expert in NPS, between +30 and +70 is considered a “great” score and anything above +70 is in the category of “excellent.”

Respondents give a rating between 0 (not at all likely) and 10 (extremely likely) and, depending on their response, customers fall into one of 3 categories to establish an NPS score:



Promoters respond with a score of 9 or 10 and are typically loyal and enthusiastic customers.



Passives respond with a score of 7 or 8. They are satisfied with your service but not happy enough to be considered promoters.



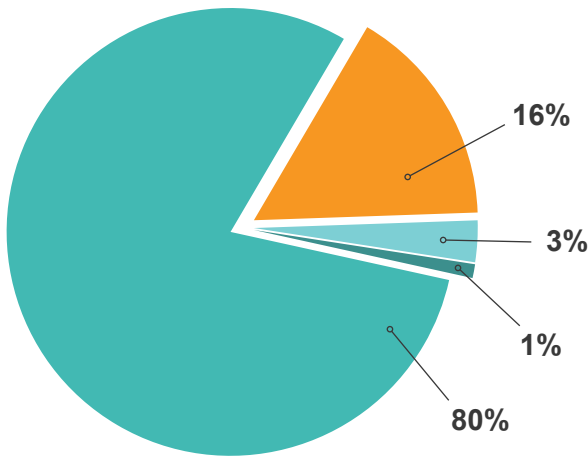
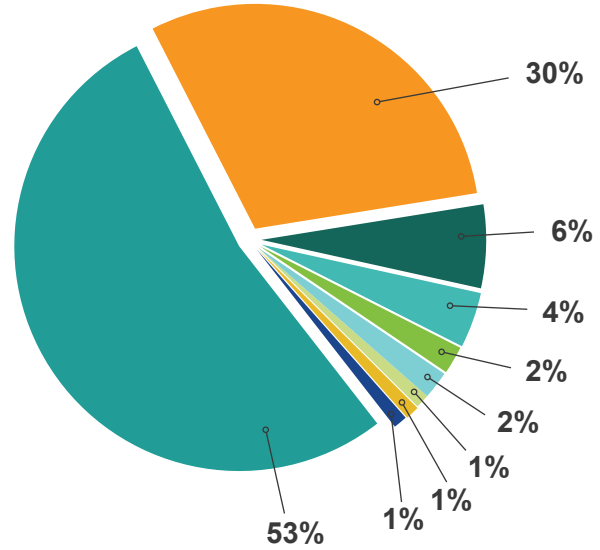
Detractors respond with a score of 0 to 6. These are unhappy customers who are unlikely to buy from you again and may even discourage others from buying from you.

It's simple to calculate your final NPS score – just subtract the percentage of Detractors from the percentage of Promoters. For example, if 10% of respondents are Detractors, 20% are Passives and 70% are Promoters, your NPS score would be 70-10 = 60.

Financials 2022

Expenses

- 53% Sub-Grantee Awards
- 30% Personnel
- 6% Facilities
- 4% Technology
- 2% Program Expense
- 2% Other
- 1% Depreciation
- 1% Telephone
- 1% Professional Fees



Revenue Sources

- 80% Housing Programs
- 16% Financial Wellness Partnerships
- 3% Smart Money Coaching
- 1% Debt Administration

● Funder and Partner Organizations

As a national non-profit, collaborations and partnerships are critical to our success. We are grateful for the support for our mission from these organizations.

- Alice Griffith Apartments
- Arriba Juntos
- Bayview Senior Services
- California Housing Finance Agency
- Capitol One
- Citi Group
- City of San Francisco
Mayor's Office of Housing and
Community Development
- City of San Francisco Office
of Financial Empowerment
- Freddie Mac
- Framework Homebuyer Education
- Homeless Prenatal Program
- The Late Layman Foundation
- Mercy Housing
- NeighborWorks America
- Potrero Bridge Housing
- Robert Pitts Apartments
- San Francisco Human Services
Agency - 170 Otis Service Center
- San Francisco Human Services
Agency – Mission Workforce
Development Center
- San Francisco International Airport
- San Francisco Public Library –
Main Branch
- Sunnydale YMCA
- U.S. Department of Housing
and Urban Development
- Young Community Developers
- Westside Court Apartments
- The Women's Building



● Board of Directors

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Founder/CEO, Global Vision Group

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CEO, CAHP Credit Union

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Michael Covert | Director
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Tristram Coffin | Director
CEO, Self Employed, CDFI Executive

Darren Albert | Director
Senior Director, HR Business Partner, LinkedIn Corporation

Ruben Sanchez | Director
Senior Director, Head of Global Pricing/Commercial Operations Strategy (NA & LCA), Visa, Inc.

Kimberly L. Range | Director
Department of Health and Human Services

Certifications

- Certified Financial Counselor from the National Association of Certified Credit Counselors
- Fair Credit Reporting Act Certification from the Consumer Data Industry Association
- NeighborWorks Center for Homeownership Education and Counseling (NCHEC) Certifications from NeighborWorks America
- Accredited Financial Counselor (AFC®) from the Association for Financial Counseling and Planning Education
- HUD Certified Housing Counselor from the Department of Housing and Urban Development
- Money Coach®

Credentials

- Non-profit 501(c)3 organization
- Accredited by the Council on Accreditation of Services for Families and Children
- Adopter of the National Industry Standards for Homeownership Education and Counseling
- Approved by the U.S. Department of Housing and Urban Development (HUD) to provide housing counseling

Security

- PCI DSS Compliant
- SOC II Type II
- Risk Mitigation
- Control Activities
- Trust Service Categories:
 - Security
 - Availability
 - Processing Integrity
 - Confidentiality
 - Privacy



Homeownership
Done Right™



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Counseling
Association of
America



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