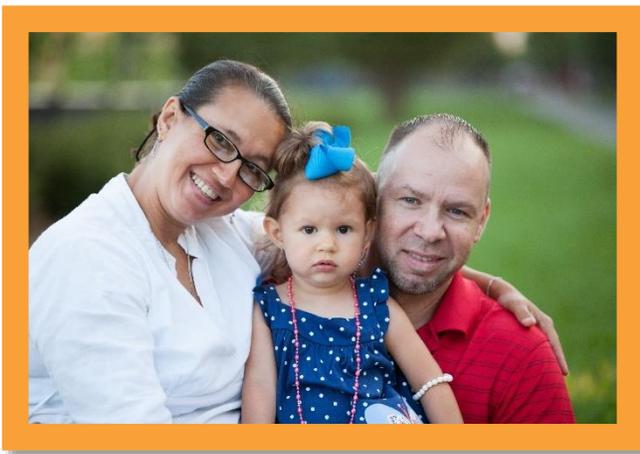




Family Independence Initiative

Boston Campaign Prospectus

2700 Families by 2020



Family Independence Initiative
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FII - Making Poverty Escapable

Since we declared war on it over fifty years ago, living in poverty may be more tolerable but it is no more escapable. Census data shows that within four years, 75% of families living below the poverty line move into above it, yet 50% of these families slip back into poverty in five years.

Why? After tracking hundreds of families over the past 15 years, the Family Independence Initiative (FII) has discovered that cycling in and out of poverty is not due to a lack of individual or family initiative or ability. Instead, this cycle can be traced to well-intentioned but inadequate governmental and charitable policies and practices that have:

- A lack of reliable information on the creative ways in which families achieve economic and social mobility
- Limited access to affordable capital which fuels families' efforts to achieve their goals and dreams
- A misplaced focus on individual achievement that overlooks the power of communities to lift people into the middle class, just as communities have done for hundreds of years

By addressing these three factors head on, FII supports the efforts families take to accelerate and consolidate their movement into the middle class.



<u>How Systems See Me</u> Single mom Section 8 housing resident Food stamp consumer Underemployed GED graduate 580 Credit Score	<u>How I See Myself</u> Mother of three A students Active member of my community Participant in a \$10,000 Lending Circle Entrepreneur paying back a FII small business loan 780 Initiative Score
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FII Approach – Connect & Invest Directly

FII brings a different and very simple approach: We invest in the innate initiative and capacity of low-income American families, allowing them to move themselves out of poverty. They set their own goals and trust their peers to support them on their journey. Rather than providing social workers, services, or direction, we create an environment where families come together, empower themselves, and are trusted to improve their lives, in their own way. As they take initiative families get more, not less, access to resources that can amplify their efforts. Our results-based approach has five major components:

1. **Family Owned Solutions:** They work together and on their own to set goals and find solutions to the problems they face, from child care, to savings to affording tuition.
2. **Monthly Feedback:** Families report monthly on their activities, finances, and progress through FII’s social networking platform, UpTogether.
3. **Analyzing & Sharing Family Trends:** FII compiles and analyzes data from UpTogether to capture trends among families. FII also develops personalized visualizations and reports so that families can follow their own progress in financial and non-financial areas of life.
4. **Data Driven Resources:** FII uses the data and analysis to make capital resources available to families through the Resource Hub.
5. **Shared Lessons:** FII informs stakeholders like foundations, policymakers, and private companies about what works so that they too can steer resources directly to family-driven solutions.

We are mobilizing a movement that accelerates social and economic mobility by documenting and investing in the initiative and resourcefulness of low-income families. This movement will help create relevant new systems and markets in a new knowledge economy where entire communities can thrive and everyone benefits.



FII Approach – Focus on Technology and Data

In the last 15 years, FII has learned that families who seek mobility want to: 1) strengthen and augment their social networks and 2) access flexible funds to accelerate their initiatives.

These two fundamental lessons have inspired and underpin the technology by which families engage with FII. FII collects over 200 data points monthly from families that reveals the capacity, ingenuity, resourcefulness, and talents of low-income communities and families.

UpTogether.org

UpTogether is a community-building website where FII families connect with one another and share resources, accomplishments, and solutions. Through UpTogether, families:

Access Networks of Peers: UpTogether’s community-building platform is a trusted space where families can build social capital in the community and share their challenges, experiences, solutions, and advice with a group of their peers.

Set Goals and Monitor Progress: Families log in to their online journals to enter information about income and savings, health, education and skills, housing, leadership, and connections. UpTogether’s family dashboard takes that information and produces visualizations that allows families to set, evaluate, and achieve their goals. By tracking their progress, families take control of their own success and gain financial literacy.

Access Flexible Economic Resources: FII analyzes families’ data to learn what really works for them. Based on this analysis, FII designs and provides financial resources to families through FII’s Resource Hub, Family data collected through UpTogether and the private journal is translated into a set of metrics, including an “Initiative Score,” that portray a family’s strength and capacity. Families then use these metrics to gain access to funds in the Resource Hub. FII’s Resource Hub is designed so families can access capital to support their self-directed efforts, on their own timeline, the same way that middle and upper-income people purchase services and products in the open market.

By investing in the initiative of families, FII enables them to make meaningful progress, motivated by their individual goals, priorities and needs. The resulting data and stories on the initiative of families serve to inspire influencers and communities across the country to reinvent the approach to resource development and ignite collective action towards greater economic and social mobility.



FII Boston



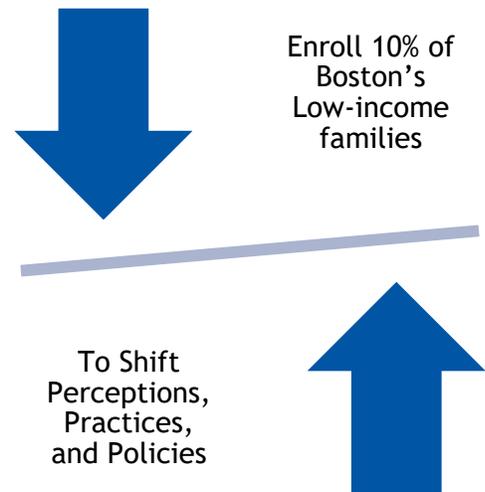
In 2010, FII launched the Boston site. It quickly grew to FII's largest and flagship site in the national network of nine sites. Today, FII-Boston partners with over 900 families within the diverse low-income neighborhoods of East Boston, Dorchester, Jamaica Plain, Mattapan, Roxbury, and Cambridge. Collectively, these families are setting the stage for a city-wide systems change that recognizes and invests in low-income people's strengths and initiatives allowing for all Bostonians to prosper.

FII families set their own goals and we cannot predict the exact outcomes our families will experience. However, over the last six years, we have learned that Boston families have significant gains in their financial position. On average, during 2 years of engagement with FII-Boston, families report:

- **11%** increase in monthly income with a **85%** decrease in subsidies such as TANF and SNAP.
- **101%** increase in monthly business income with **71%** of new family-owned business activity since participating in FII.
- Total family liabilities increase from \$767 to over **\$20,000** due mostly to an increase in home, auto, and student loans.
- Families increase their monthly savings account balance from \$19 to just under **\$1,000** and their total liquid assets from less than \$24 to almost **2,000**.
- Families save an average of **\$632** through newly established Retirement Investment Accounts.
- **56%** increase in the amount families help others and **144%** increase in the amount of help they receive from others in their communities.

2017-2020 Campaign Plan

27,000 families in the neighborhoods of Roxbury, Mattapan, East Boston, and Dorchester make less than \$50,000 a year. We believe that by partnering with and investing in 10% of these low-income families we will dramatically reduce the negative stereotypes that inform policies and practices. By capturing data from and learning from 2700 families, we will be able to shift the perceptions that impact practices and policies towards mobility. Ultimately, this will provide all people of Boston the access to resources and opportunities needed to achieve their goals and dreams.



\$15 Million Campaign Goal

\$8.3 Million Resources
Directly to Families

\$3.4 Million for
Technology
& Model Delivery

\$1.8 Million for
Operations

\$1.5 Million for Reserves

Already, with the support of early friends and advocates, we have enrolled over 900 families. To meet these ambitious goals, FII-Boston is in the quiet phase of a \$15 million campaign — one that will not only enable family growth but will fully resource the organization and families

through 2020, including our current families. Securing the needed capital in advance of our growth provides us the opportunity to grow our model quickly rather than allowing the cycle of fundraising to dictate our scale. This growth will provide the necessary family data to influence a movement in the City of Boston to shift to a system in which government, businesses, and other third parties outside of FII are providing resources directly to families.



The duality of our mission - to learn from and invest in the initiative of low-income families and change the way society views and invests in them – challenges us to focus on our long-term sustainability. Currently, we are reliant on philanthropy to fund our operations and administrative costs, as well as to provide resources directly to families through the Resource Hub (over 50% of expenses yearly). We will also be raising funds for a \$1.5 million operating reserve that will provide FII-Boston with four months of operating expenses. Although this will put us in a stronger financial position - this alone is not enough.

It is crucial that we attract others to join our movement. Businesses, government, and other third parties need to see the value of investing directly in families. A significant amount of our work will be to analyze and share the data from 2700 families to shift these influencers and spur investment in families directly.

Additionally, we will work to bring a Direct to Families Fund to Boston where Donor Advised Funds can be transferred and allocated directly to families. In turn, donors will receive quarterly investment reports on the progress of families.

Ultimately, by 2022 FII-Boston would only rely on a traditional Annual Fund fueled by philanthropy for operations, administrative, and model delivery (approximately \$1.5 million.) And third party entities and the Direct to Families Fund would fund the Resource Hub (approximately \$2.5 million) – significantly shifting the way low-income families are invested in throughout the City of Boston!



The Impact of Your Gift

Thanks to the generosity of our initial supporters and, most importantly, the resourcefulness and passion of our families FII-Boston has succeeded.

After six years of learning from Boston families, we are now ready to grow significantly, invest in families' own initiative towards sustained mobility, and shift the landscape in the City of Boston. We know that our policies and practices in the City must be built on the strengths of its people. This campaign is our essential next step.

Joining FII-Boston's family partners with a gift in this early stage would:

Signal to the broader community that the FII model and its low-income family partners are worthy of investment and the model is a serious candidate for broad dissemination throughout our city.

Generate crucial early momentum for our \$15 million campaign.

Establish awareness of the pivotal role leadership gifts play in funding this innovative and proven approach to economic and social mobility.

Demonstrate early leadership that will inspire others to consider their own leadership gifts to this effort including FII's core founding supporters.

Table of Gifts

In order to reach our goals, FII-Boston will need to realize unprecedented levels of financial support. While still in the early stages of the campaign, major gifts will be imperative for the campaign to succeed.

A table of gifts needed to reach our goal includes \$15 Million in new campaign gifts, over 2 years:

# of Gifts Needed	Gift Level	Generating
1	\$2,000,000	\$2,000,000
4	\$1,000,000	\$4,000,000
8	\$500,000	\$4,000,000
8	\$250,000	\$2,000,000
12	\$100,000	\$1,200,000
14	\$50,000	\$700,000
20	\$25,000	\$500,000
30	\$10,000	\$300,000
40	\$5,000	\$200,000
60	\$1,000	\$60,000
100	Under \$1,000	\$40,000
		\$15,000,000

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