Trust and invest in families.
Dear Friends,

Trust and invest directly in those living in poverty and one day, all families across America will have access to the opportunities and resources needed to fulfill their dreams and achieve their goals.

Sound implausible? We don’t think so. Not if we dramatically change the conversation from one that focuses on the deficits of low-income communities to one that celebrates their ingenuity and resourcefulness. Not if societal practices and policies allocate dollars directly in support of initiatives important to those living in poverty. Not if we respect and reward positive accomplishments instead of throwing out a lifeline only when a state of destitution exists.

With over a decade’s worth of family-reported data at our disposal, we know that families understand how to move and stay out of poverty and take steps to do so every day. We are partnering with thousands of families across the country to support their self-determined paths to mobility and to challenge the long-held perceptions, policies, and practices that have failed to reduce poverty.

We are shifting the focus from a top-down approach where families are seen as needing help and intervention to a bottom-up approach where families hold their own solutions. Our family-led movement combines the hard work and initiative of low-income communities with the trust and investment of decision makers. Together we will change how the country views and invests in the most marginalized members of our society.

Join us.

Yours in the movement,

Jesús Gerena
CEO

Tony Mayer
Board Chair

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Vision
One day all families across America have access to all the resources and opportunities needed to achieve their goals and dreams.

Mission
We trust and invest in low-income families across the nation so they can work individually and collectively to achieve prosperity.

“All families have goals and aspirations but not all have access to tools and resources that help them achieve those goals. I believe in and support FII because it gives families access to resources many take for granted, helping them to fulfill their dreams and accelerate their social and economic mobility.”

Paula Sneed, FII Board Member
CEO of Phelps Prescott Group LLC.
Challenge: Closing the Resource Gap

However, 50% of families fall back below the poverty line in under five years due to a gap in resources. This resource gap includes: lack of reliable information, access to affordable capital, and other insufficiencies.

Our Approach: Invest in Families

Impressive results are seen with an average investment of only $2,400 per FII family over a two year period.

- 2.4x Income Growth
- 2.1x Asset Growth

By tailoring this investment to each family’s needs, their household’s average yearly income grows by 2.4x the investment while assets grow by 2.1x the investment.

A Radical Approach to Advancing Economic and Social Mobility

Over its 16 year history, FII has continued to refine this approach while staying true to its original thesis. Designed to advance social and economic mobility for low-income families using a radically different approach, FII creates an environment with families that encourages and rewards initiative, resource sharing, mutual respect and support, and peer modeling. FII believes that working class families can do, and will build their own pathways to self-sufficiency by bringing friends and neighbors together for common purposes and implementing user-friendly technology to connect participants. By gathering feedback through data collection and analysis, we know that families consistently see and share successes. On average, over a two year period, we’ve seen incomes jump over 20%, savings jump over 200%, children do better in school, businesses launch and home purchases become a reality.

Why? Because FII families are free to select their own paths to mobility, lead their own change, access financial resources not readily available to them in the free market system, and help one another in a variety of ways. Using family-reported data and sophisticated analytic tools, FII provides personalized monthly progress reports to each family and gains insights across all families to identify trending family initiatives, both of which inform the development of tailored funding pools made available through the UpTogether Fund. Over time, as a family demonstrates consistency and progress through their monthly reports, they can access scholarships, low interest loans, and a variety of other monetary awards which can be used for family activities, civic engagement projects, and community activism. In combination, they are also provided the opportunity to give and receive advice through a network of their peers, a critical component of the FII approach.

Launched in Oakland, California with 25 families, FII families now number over 2,000, representing almost 8,000 individual family members across 11 cities in nine states, each with its own unique character and ethnic makeup. Supporting our contention that the model can, does, and will work with any low-income group in the country.

Family ingenuity and resourcefulness, innovative technology use, data mining and analysis, access to resources, and social networking are all critical ingredients to the achievement of self-directed and sustainable economic mobility for low-income families.
About Our Families

FII works with hardworking families stuck in a cycle of poverty. They often work multiple jobs and are entrepreneurs. They have children, some care for elderly parents, and most lack access to traditional credit. All have dreams of economic independence and stability for their future.

Flor Gonzalez
Albuquerque

My husband and I have four children. My husband is a construction worker and I care for children in our home. I had long dreamed about converting our garage into a daycare so I could expand our business. When a friend told me about FII-Albuquerque in February 2015, we joined. When I shared my goals with my FII group, other members told me about Abriendo Puertas, a New Mexico nonprofit that teaches people skills needed to raise young children, and the early childhood classes at Central New Mexico Community College. I completed classes at both, allowing me to formalize my childcare business and attract more clients.

I also took advantage of FII’s 2:1 matched savings program in October 2015 and remodeled our garage into a daycare. Ten months later, the New Mexico’s Children, Youth and Families Department inspected the daycare and approved it. The inspector, impressed with my new skills and space, started referring her friend’s children. In just the first year after taking the classes and remodeling our garage, I increased the number of children I cared for from three to six, and my childcare income grew from $300 to $1,000 per month.

"The inspector, impressed with my new skills and space, started referring her friend’s children."

Flor Gonzalez

Average Annual Income for a Family of Four Upon Enrollment

FII’s Projected Family and Individual Growth

Family Demographics

60% Adult
40% Child
58% Female
42% Male
3% Caucasian
1% American Indian
10% Other
52% African American
34% Latino
3% Other

About Our Families

2,011 Families
7,233 Individuals

June 2017

3,480 Families
13,920 Individuals

Dec. 2017

10,000 Families
40,000 Individuals

Dec. 2020

$25.8k

2011 Families
7,233 Individuals

American Indian
34%

Latino
10%

Other
3%

Caucasian
1%

African American
52%

60%

Adult

40%

Child

58%

Female

42%

Male

3%
The use of proprietary and cutting edge technology is a key differentiator in FII’s approach to modeling a new way of fueling economic and social mobility. FII’s technology and data division, Analytics4, is laser focused on building a technology platform that creates value for its members.

Using sophisticated capital market technology and analytic techniques most commonly associated with big data, FII is able to understand the strengths of low-income communities and the challenges they face. Armed with data amassed over the last 16 years, FII analyses consistently show that the strategies low-income families devise to make sustainable progress in their economic and social standing are no different than those of other hard working families.

UpTogether.org, a proprietary online community building platform, provides families a safe and trusted space to connect with others in the FII community, and is the backbone of FII’s technology. It is both a subject-centered model for data collection that allows for deep dive analytics across a broad spectrum of parameters and a tool for change that endows families to leverage one another’s experience and expertise, find support, access dollars through the UpTogether Fund, and track progress by completing monthly journals.

Monthly journaling is critical to the FII approach as it’s the vehicle by which we collect individual family data used to track goals, household finances, community initiatives, health markers, school progress, and mutual support, amongst others. The result is a collection of over ten million data points comprised of quantitative, qualitative, structured and unstructured fields that FII mines to inform the design, direction, and degree of financial resources made available through the UpTogether Fund. In addition, we are able to report impact findings to third party funders, policy makers, and others to influence a shift in widely held, erroneous perceptions of low-income families.

So how does it work? Families log in to UpTogether to connect with other FII families across the country, sharing accomplishments, ideas and resources. Once a month, members update their personal journals and, in return, receive access to real time visualizations of their progress toward goals, providing the opportunity to make modifications to current strategies as necessary and empowering them to take control of their own success. Feedback is immediate with family dashboards. Reports highlighting accomplishments from cohorts across the country are also shared, often providing both inspiration and motivation.

Also accessible via UpTogether.org is the UpTogether Fund, a repository of financial resources created to specifically help advance family-directed initiatives, strategies and trends. Whether it’s accessing a loan for a car repair, matched savings to help buy a home, or dollars to cover medical expenses, UpTogether Fund offerings are tailored to family-reported demands.

There is no question that FII’s greatest strength lies first and foremost in its families. However, its use of innovative technology and analytics is a close second as translating thousands of seemingly unrelated data points into meaningful information to create value is game-changing for low-income families. Not only has this knowledge provided an understanding of the strengths, aspirations, and capabilities low-income families bring to the table, it has informed an approach that is advancing economic and social mobility today.
I am inspired to be the change I want to see in my community, family, and surrounding network. I am inspired to connect and build strong communities. And I remember that change doesn’t happen overnight.

Sistah Rfuaw Diarra, New Orleans

Eduardo Michaus
Northern California

I am a mechanic at a body shop in San Francisco. After business hours, my boss allowed me to use the facility to work on cars for my own clients. But I had a dream of running my own body shop one day so I launched a crowdfunding campaign through Kiva*, one of the resources FII makes available to us families.

On my fundraising page, I told people my story so they would understand why I needed their support. I grew up in the countryside of a small Mexican town called Taluca, Calimaya and started working construction with my uncle when I was only eight years old. When I turned 9 years old, I transferred into working for a mechanic. I have been one ever since.

To grow my business, I asked supporters to endorse my Kiva loan to purchase paint guns that would allow me to do exterior paint jobs on cars. Each paint gun has a specific purpose and each are needed to finish the paint job accurately. I invested in two or three guns initially, and bought additional ones as I made more money with my expanded work.

My wife and I are part of an FII cohort in San Francisco that is focused on healthy eating and making childcare and housing more affordable. I was the first Spanish-speaking FII member to take advantage of the crowdfunding opportunity with Kiva. With my experience, I hope to be an important resource for other Spanish-speaking families who may want to apply for a Kiva loan in the future.

*Kiva is an FII partner that allows individuals to loan funds directly to entrepreneurs. FII families with entrepreneurial aspirations use this platform to crowd-source small loans among friends, family, and potential new supporters within the Kiva online community.

“I hope to be an important resource for other Spanish-speaking families who may want to apply for a Kiva loan in the future.”
Living in poverty may be more tolerable since we declared war on it over fifty years ago, but it is no more escapable. Census data reports that within four years, 75% of families living below the poverty line move above the poverty line yet 50% of those families slip back into poverty in five years.

At FII, we’ve learned that information can lead to social change. In fact, we see it every day with our family partners. Whether a result of family networking activities or a review of readily accessible personal tracking reports based on individual monthly journaling, there is nothing quite as powerful as sharing information to motivate and drive behavior.

As such, FII believes that an expansion of its already compelling analytics, when based on verified data from tens of thousands of families across the country, will be the tipping point needed to change societal attitudes toward low-income families and what they need. Rather than holding onto the widely-held, misinformed belief that low-income families are takers and a drain on society, we believe fact-based data collected on this scale will further substantiate the success we’ve seen and be hard to dismiss. Negative societal perceptions will give way to ones that acknowledge and applaud the ingenuity, resourcefulness, and positive contribution made by those raising themselves out of poverty.

Thus, our plan is to expand to 20,000 enrolled families across the country by 2020. This will be our tipping point, a large enough sampling to significantly influence perceptions of and policies designed for low-income working families.

Efficiently reaching a scale of this magnitude will allow us to demonstrate that FII’s peer-to-peer community model should be considered the standard approach to advancing upward mobility for low-income families. The learning gleaned from the data collected will provide the evidence needed to effectively challenge today’s more traditional, and thus far unsuccessful, approaches to poverty alleviation; allow us to play a leadership role in guiding national practices, policy and resource allocation for low-income families; and radically change the public’s negative views about those living in poverty.

As the number of enrolled families has grown over the last 16 years, so has external demand for access to our data and the number of resource providers who are interested in investing in families directly.

We currently operate in seven FII-run demonstration sites run by FII and four partner sites run in concert. Our plan is to enroll additional families in all while simultaneously exploring new locations that are both geographically and demographically diverse. Partnerships with select non-profits and government agencies who have the means to sustainably subscribe and offer our model to the existing families they service will help proliferate our growth by contributing half of the 20,000 families we will be looking to enroll by 2020.

In all site locations, we will continue to partner with local policymakers, community leaders, and other social service organizations to change the conversation from one focused on the deficits of our low-income communities to one focused on their strengths.

The Geographic Reach

- Portland
- Albuquerque
- New Orleans
- Memphis
- Rochester
- Cincinnati
- Detroit
- Minneapolis - St. Paul
- Boston
- Queens
- Northern California
- New York
- Texas

The Tipping Point

- FII Site
- Future FII Site
- Partnership
I have gained a new place and additional resources for both my personal and community—changing goals. FII has introduced me to a new world of reflective accountability and avid success planning.

Shoniqua Kemp, Detroit

Family Outcomes

On average, during two years of engagement with FII, families report:

- A 23% increase in monthly income.
- A 60% decrease in subsidies such as TANF and SNAP.
- FII families have exchanged an estimated $2,783,006 in social capital through activities like watching each other’s children, cooking for one another, lending money, etc.
- Families save an average of $1,149 through newly established Retirement Investment Accounts.
- Families increase their average monthly savings account balance from less than $100 to over $1,000 and their total liquid assets from $371 to $2,740.
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- Families increase their average monthly savings account balance from less than $100 to over $1,000 and their total liquid assets from $371 to $2,740.
- FII families have built while in FII.
- 13% of American families are entrepreneurs.
- $12M Total amount of home equity FII families have built while in FII.

90% of families report their students have excellent, good, or improved grades.

94% of families report their students have improved attendance.

The majority of families report their students have excellent, good, or improved grades.

94% families report their students have improved attendance.

VS.

19% of FII families are entrepreneurs.

13% of American families are entrepreneurs.

Total amount of home equity FII families have built while in FII.

$12M Total amount of home equity FII families have built while in FII.
My name is Pamela Thompson and I became a member of FII-San Francisco in January 2013. Initially, I was skeptical but my best friend kept telling me of all the good things that came with being a member. When my daughter joined—after being invited by my friend also—I finally became a member. 

FII has been a godsend to me. FII helps me to take a look at myself and ask, “What should I be doing to continue to move forward?” I have worked toward goals that had sat on a shelf for years—improving my credit score and purchasing a home. Prior to FII, I was scared and nervous to make the leap into home ownership. So, I would start and stop. Journaling forced me to realize my goal was not moving. I took action and made it happen.

These three years have also helped me focus on my health. I remain a non-smoker, my weight is decreasing, and my blood pressure has lowered. I strive to be a better me daily.

I have taken advantage of FII’s UpTogether Fund three times. First, I was awarded a grant to take classes that would help my side hobby/business in party planning and decorating. I also received match savings funds to use for a down payment on a car. Finally, I needed my fireplace repaired and was granted funds for the repair. This will allow me to entertain my guests with a cozy lit fire, something I have always wanted in my new home.

Now I am an FII Fellow—deepening my network and strengthening my relationships. I am grateful for the opportunity, and for the really dear people I have met this year.

“FII helps me to take a look at myself and ask, “What should I be doing to continue to move forward?”

“United Way believes in the power of communities working together to lift people up. Similarly, the work of Family Independence Initiative is to bring stability to the lives of low-income families and help individuals move above the poverty line towards prosperity. This work not only impacts the individuals they serve, it also has residual positive impact on the communities where families live.”

Pamela Thompson
Northern California

United Way
Dr. Herman Gray, President and CEO
United Way for Southeastern Michigan
Donors

We thank everyone who has given in support of Family Independence Initiative. Your generosity enables us to continue our vital work of trusting and investing in low-income families and communities. To review complete financials, please request a copy of our 2016 formal audit.

The following lists include all gifts received during the fiscal year beginning January 1, 2016 and ending December 31, 2016. We have done our best to ensure the accuracy of these lists. We apologize for errors or omissions and would appreciate having any mistakes brought to our attention. All listings are alphabetical by first and last name.

*Reflects multi-year award.

$1,000,000 +
Barr Foundation
EOS Foundation
The F.B. Heron Foundation
James Irvine Foundation
W.K. Kellogg Foundation
New Profit, Inc.
Ray and Tye Noorda Foundation

$500,000 - $999,999
The Kresge Foundation

$100,000 - $499,999
Amherst-Wilder Foundation
The Boston Foundation
Deutsche Bank
Dudley Street Neighborhood Initiative
Horace W. Goldsmith Foundation
Lavi Strauss Foundation
Barbara & Tony Mayer McGovern Foundation
New Life Community Development Center
Oak Foundation

$50,000 - $99,999
Blue Shield of California
Cambridge Community Foundation
Community Foundation for Southeast Michigan
Roger L. and Ruth B. MacFarlane Foundation

$25,000 - $49,999
Josephini and Louise Crane Foundation, Inc.
John Hancock Foundation
Herman and Frieda Miller Foundation
Deborah M Noonan Memorial Fund

$10,000 - $24,999
Lawrence Bass and Paula Sneed Burt Family Foundation
Mauricio Casey Foundation
Friedman Family Foundation
Full Circle Fund

$5,000 - $9,999
Anonymous Donor
InvestCloud, Inc.
Lovett-Woodsum Charitable Foundation
Anne and Paul Marcus
Mark Mayer National Christian Foundation of California

$1,000 - $4,999
The California Endowment
Ashley Conners Sherwin and Adam Sherwin
The Felcher & Blumenthal Fund
Rebecca Gellenberg
Jean Hammond and Michael Kiessner
Michele Join
Peter L. Malkin
Carla Miller
Nice Ventures dba Terzo
Menia Papamapari
Kelly Pfeiffer
Annie Shuldie and Tim Wirth
John Wabins
Ruth Waring

$500 - $999
William Bailey
Joan Barry
Jeff Bradich
The California Healthcare Foundation
Jay Cantor and Melinda Marble
Combined Jewish Philanthropies of Greater Boston

"Many things have changed in my life, but the most important is that I am making connections. I have learned about available resources and how to use them."

Ivonne Almodovar, Albuquerque
To honor Mauricio Lim Miller’s visionary leadership at FII over the past 16 years, and in conjunction with his recent leadership transition from FII CEO to FII President, we have formalized a Founder’s Resource in FII’s UpTogether Fund.

Mauricio founded FII in 2001 as a result of a challenge Jerry Brown (then Mayor of Oakland, now Governor of California) put before him. Recognizing Mauricio for the social innovator that he was, he asked him to conceive an approach that could successfully break the cycle of poverty. And he did. At each FII site across the country (numbering eleven sites and growing), we consistently show that the combined approach of developing and strengthening peer family networks along with monthly progress tracking results in increased self-determination, civic engagement, and economic mobility for participating FII families. In fact, in a resounding endorsement of FII’s approach and achievements, Mauricio received the MacArthur Foundation “Genius Award in 2012, given in recognition of those who have shown “extraordinary originality and dedication in their creative pursuits and a marked capacity for self-direction.”

In light of Mauricio’s particular passion for family-led social change initiatives and his strong desire to showcase the resourcefulness of low-income families like his own, we thought it fitting to honor his leadership by creating the Founder’s Community Fund. Dollars raised for this Fund will be accessible to families through the FII UpTogether Fund, a flexible marketplace of financial capital and will be used to support family-led initiatives aimed at influencing positive social change in their communities and beyond.

To contribute, please visit www.fii.org/donate.

“Those at the bottom of our economic ladder are amazingly resourceful and make tremendous contributions to society.”

**Dollars raised for this Fund will be accessible to families through the FII UpTogether Fund, a flexible marketplace of financial capital and will be used to support family-led initiatives aimed at influencing positive social change in their communities and beyond.**

**To contribute, please visit www.fii.org/donate.**