Helping families rebuild by

United Way THRIVE
Lessons Learned from Five Years of Impact

United Way of Greater Houston
Community Leaders Conference
May 13, 2014

Be part of the answer.

Do something about it.
PRESENTERS

LYNNE LIBERATO
Partner, Haynes and Boone, L.L.P

- Chair, THRIVE Council (2008-present)
- Chair, 2013-2014 United Way Community Campaign
- Chairman of the Board, (2005-2007)

Lynne has been a strong voice and has held many leadership roles with the United Way of Greater Houston since 1998.

ANNA M. BABIN
President and CEO, United Way of Greater Houston

- Member, United Way Worldwide National Professional Council
- Participant, United Way Worldwide Leadership Partnership
- Participant, United Way Worldwide 2-1-1 Partnership

Be part of the answer.
United Way THRIVE is:

A collaboration, supporting hard-working, lower-income families in their own efforts to achieve what every family wants:

• Good jobs with good wages
• Safe and affordable housing
• Financial stability
• Success for their children
OVERVIEW

I. Setting the Stage
II. Development of THRIVE
III. Interactive THRIVE Game (don’t eat the candy yet!)
IV. Value of THRIVE
V. Key Partnerships
VI. Results
VII. Lessons Learned
VIII. Questions
SETTING THE STAGE
ABOUT US:
United Way of Greater Houston

90+ years
Serving Greater Houston area

4 strategic goals
Circle of Life, Financial Stability, Education, Resources

$83.7 million
2013-2014 Community Campaign results

Be part of the answer.
BIRTH OF THRIVE

Natural Disasters + Great Recession = economic #fail

Be part of the answer. Do something about it.
51% of Harris County children live in low-income families

20% of families have experienced a job loss in the last year

50% of Texas households lack enough savings to cover basic expenses for 3 months.

One third of families in our community live on less than $40,000 per year

Average THRIVE client carries 19 months of debt

50% of Texas households lack enough savings to cover basic expenses for 3 months.
How Did We Choose Family Financial Stability?

1. Consultants & Research
2. United Way Staff & Filters
3. Creating the Framework
4. United Way Board Approval
5. THRIVE Council Decision
6. Community Conversations
7. Recruiting Community Partners
8. Develop Strategies & Baseline
9. Launch

Be part of the answer.
A New Approach

The shift in philosophy was

- Not an abandonment of the safety net
- Not walking away from any one agency
- Not radical
- Not revolutionary

Rather, it was:

- Thoughtful
- Gradual
- Evolutionary
Vision 20:20
Focusing on the Future

I. Improve lives and change community conditions by investing in quality services.

II. Make a lasting impact on the financial stability of 100,000 hard-working, low-income families through United Way THRIVE.

III. Improve the academic success of children.

IV. Secure $100 million annually to support the work of United Way today, engaging donors and retaining our donor base to secure the future.
DEVELOPMENT OF THRIVE
Building the Plane While Flying It
United Way THRIVE
Financial Stability:

Sufficient income + responsible financial habits + meet regular expenses & set aside funds for emergencies and future goals = United Way THRIVE
United Way THRIVE’s Three Pillars

**Increase Income**
- Job Readiness Skills
- Vocational Training
- Career Ladders
- Free income tax preparation

**Build Savings**
- Financial Education and Coaching
- Strong financial habits
- Matched Savings
- Low-Interest Loans

**Acquire Assets**
- Higher Education
- Home
- Small Business
- Car

THRIVE Connection
United Way’s Role

Invest

Lead Collaboration

Forge Strategic Partnerships

Evaluate/Ensure Results

Public Policy

Communicate and Catalyze

Be part of the answer.
THRIVE GAME

Be part of the answer.

Do something about it.
150,000 FAMILIES living on incomes of $20,000 to $35,000

Be part of the answer.
VALUE OF THRIVE
Helping families **THRIVE**

Path of Financial Stability

1. **Increase job skills**
   - Vocational Training Programs

2. **Secure consistent employment**
   - Job placement

3. **Reduce expenses**
   - Budgeting

4. **Increase income**
   - Career Coaching

5. **Reduce consumer debt**
   - Financial Coaching

6. **Build savings for emergencies**
   - Connect to mainstream financial institutions

7. **Save for assets**
   - Matched Savings Programs

8. **Acquire assets**
   - Homebuyer Education & Down Payment Assistance
Value of THRIVE Collaborative

Continuing Education
Sharing Best Practices
Big Picture
Building Connections
Comprehensive Services
Bundled Services

Be part of the answer. Do something about it.
“We can’t look for results too fast. THRIVE is changing the direction of a big ship; changing the orientation of a family from one perspective (finding and receiving social services) to another (building their own financial skills to manage their funds better). And it takes time for families to save enough money to get to asset acquisition. But, once families have the financial habits and the assets they need, they often won’t need help again.”

“THRIVE weaves a safety net at the household level.”

-THRIVE Partner Executive Director
KEY PARTNERSHIPS
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<th>Category</th>
<th>Organizations</th>
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<tr>
<td>Workforce Development</td>
<td>Greater Houston Partnership (Chamber of Commerce)</td>
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<td>Gulf Coast Workforce Board</td>
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<td>THRIVE “Workforce Connection” (with Workforce Solutions)</td>
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<td>Community Colleges</td>
<td>Houston Community College</td>
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<td>THRIVE Navigator</td>
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<td>Vocational Training at Partner Sites</td>
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<td>Financial Institutions</td>
<td>United Way SAVE (Tax Time Savings Program)</td>
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<td>Local financial institution partnerships</td>
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<td>Alliance for Economic Inclusion at FDIC</td>
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<td>City &amp; State Organizations</td>
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<td>RAISE Texas Advisory Council</td>
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<td>Texas and Houston Fair Lending Alliances</td>
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Greater Houston Partnership and United Way THRIVE Alignment

United Way
(Supply: Clients Who Need Better Paying Jobs)

GHP
(Demand: Businesses That Need Mid-Skills Workers)

High wage, high growth jobs
United Way’s Role in this Partnership

• Participate in the Basic Skills and Employability strategy

• Provide some Supply–Side need with our THRIVE Families

• Financially support the “network integrator” role at Greater Houston Partnership

• Serve on Greater Houston Partnership Oversight Council

Partnering with Private Sector increases opportunity for more families to achieve the American Dream.
Leveraging the 2-1-1 Texas/United Way HELPLINE

THRIVE entry point

Clients can:

- Explore options
- Connect directly to THRIVE

Be part of the answer. Do something about it.
RESULTS
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<th>Years 1-5 Growth</th>
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<td><strong>THRIVE Years</strong></td>
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<tr>
<td>Year 1</td>
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<td>Year 3</td>
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<td>Year 4</td>
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<td>Year 5</td>
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Year Five Results: Year-by-Year Highlights

Families Served:
- Y1: 21,000
- Y2: 28,000
- Y3: 35,000
- Y4: 44,000
- Y5: 52,000

Workforce Development:
- Y1: 530
- Y2: 500
- Y3: 2,400
- Y4: 4,700
- Y5: 6,900

Financial Education & Coaching:
- Y1: 2,000
- Y2: 2,200
- Y3: 4,700
- Y4: 8,900
- Y5: 10,600

Savings Accounts:
- Y1: 800
- Y2: 1,900
- Y3: 3,300
- Y4: 4,200
- Y5: 5,100

Tax Returns:
- Y1: 17,000
- Y2: 22,000
- Y3: 28,000
- Y4: 31,800
- Y5: 37,500

Tax Refunds:
- Y1: $21 million
- Y2: $32 million
- Y3: $37 million
- Y4: $41.8 million
- Y5: $48 million
Key Facts from Year 5

- 52,000 families
- 37,500 tax returns
- $48 million in net refunds
- 10,600 families
  - Financial Coaching or Education
- 6,900 families
  - Workforce Development
- 5,100 individuals increased their savings
THRIVE’s Return on Investment

10:1

For every dollar we invest in THRIVE, our community sees ten dollars of economic benefit.

Economic Benefit
Public Policy: Payday Lending

December 2013 – City of Houston
Ordinance Approved

Regulating Payday and Auto Title Lending

Support from Broad Coalition of Advocates,
including United Way

All Major Texas Cities now Regulated (70% of Texans)

Next Goal: State Legislature, 2015
LESSONS LEARNED
Lessons Learned: Setting the Vision

- Think and speak long-term
- Do not expect 100% approval – from anyone (board, community, partners, staff)
- Prepare to lose your organizational ego and gain incredible results for your community
Lessons Learned: Building & Running the Collaboration

- Focus on families/clients’ dreams
- Set Common Goals as a group
- Bundle services
- Engage with Clients for the Long-Term
- Hire an External Evaluator
- Quickly Course Correct
Lessons Learned: Planning for the Future/Scaling

- Integrate in your core work!
  - 211 Texas/United Way HELPLINE
  - United Way “Affiliates”
  - United Way Bright Beginnings
  - Veteran’s Initiative

- Expand beyond your comfort zone

  Incidentally, donors love this work!
“After five years of collaboration and implementation, United Way THRIVE has demonstrated that it works. The United Way THRIVE collaboration has a measurable and positive impact on every aspect of a family’s financial stability.”

-Jessica Pugil, The Working Partner, LLC
United Way THRIVE External Evaluator
Mark’s Story
Christie’s Story

Be part of the answer. Do something about it.
Welcome to United Way

THrive

Experience

See if you can support a family of four on $40,000 a year.

United Way

United Way of Greater Houston
United Way of Greater Houston
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