



WISCONSIN WOMEN'S BUSINESS INITIATIVE CORPORATION (WWBIC) GRANT REQUEST 2024



Financial Wellness Make Your Money Talk 2024 Proposal

SUMMARY

Organization

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EIN

39-1597954 – Non Profit Organization since 1987

Organization Contact

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Summary

On behalf of the Wisconsin Women's Business Initiative Corporation (WWBIC) and our mutual public housing clients, we are pleased to submit our financial wellness annual proposal to the Housing Authority of the City of Milwaukee (HACM). The programming outlined below ensures participants of the *Make Your Money Talk (MYMT)* financial wellness series, along with counseling support, are more prepared to advance their goals of homeownership, entrepreneurship, debt repayment, vehicle purchase, and post-secondary education.

Program Goal

Financial wellness training, disciplined saving habits, and Match Savings Accounts have proven their effectiveness in promoting long-term economic independence for the low/moderate income population we target.

WWBIC's long-standing partnership with HACM is a showcase for success that other organizations will use as a model for future programs. More importantly, the combined efforts of WWBIC and HACM contribute to the success of a strong family unit and set an example for future generations which will impact community, state, and national economies. To date 241 HACM residents purchased their first home, 125 started a business, 130 continued their post-secondary education, 177 paid down debt, and 68 either repaired or purchased a vehicle.

Financial Wellness Programming

The *MYMT Bootcamp* will continue to be WWBIC's flagship Financial Wellness curriculum and the core training piece provided to HACM residents. As we learned in 2023, the hybrid model (in-person and virtually) through the Zoom Platform is a very effective format to deliver this bootcamp. This allows WWBIC to reach a wider audience. Therefore, moving forward in 2024, the model will continue. Late in 2023 WWBIC decided to add the "MYMT On-The-Go" model where training was provided onsite at selected locations. Training will take place at the WWBIC Office and various HACM locations throughout the City of Milwaukee.

WWBIC's investment will include proven components:

- Use of the *Make Your Money Talk* curriculum
- Regular attendance at resident meetings to promote the program
- Convenient scheduling of events to accommodate working residents
- Class evaluations to allow for resident feedback administered by a WWBIC Financial Coach
- Credit Recovery
- Quarterly program reporting provided by WWBIC to HACM staff

For 2024, the following additions will be made to the programming:

- Enhanced intensive coaching for clients needing longer to reach their financial goals.
- Ten additional financial wellness workshops such as No Credit, Bad Credit, No Problem; Retirement Planning 101; Budgeting That Works; Student Loan Debt 101; Homebuying 101; How To Build Financial Security; Life Insurance Simplified; What is Generational Wealth and How do I Build it?; I had a Foreclosure Bankruptcy Now What? Avoiding Predatory Lending! and Managing Your Financial Success. WWBIC will also offer two hands-on quarterly workshops on credit recovery and pre and post homeownership and one stand-alone College is Possible workshop.
- Expanded marketing focuses on new HACM residents and youth interested in education.
- Continued Matched Savings Program for homeownership, entrepreneurship, debt repayment, vehicle purchase, and post-secondary education with the following parameters:
 - The debt must be shown for a minimum of one year on the credit report.
 - Extend the savings period to a minimum of six months.

WWBIC will continue our rigorous financial coaching model to ensure a high success rate with MYMT graduates as well as asset purchases. In addition, WWBIC plans to review collaborative outreach efforts to ensure that HACM residents are aware of the program and aware of the value that HACM provides annually.

INVESTMENT PROPOSAL

The following table provides a detailed budget and explanation for our 2023 project proposal. The table also shares our expected internal goals. We hope you will consider funding to allow for 2024:

- ❖ Financial Coaching and administration of 249 match savings clients currently participating.
- ❖ Financial Coaching and administration of 100-150 new Match Savings Accounts we expect to open in 2024.
- ❖ 8 participants will receive \$500 to open an EdVest account which DFI will match with \$2000
- ❖ Workshop Incentives 5 Laptop Computers
- ❖ 4 Homeownership (Pre, Process, Post: Maintaining Home; Maintaining Finances)
- ❖ 2 Workshops (Spring & Fall) College is Possible
- ❖ Weekly Access to WWBIC Financial Wellness & Entrepreneurship Training Classes

DETAILED BUDGET PROPOSAL

ACTIVITY	QUANTITY/PARTICIPATION	TOTAL COST
Make Your Money Talk	7 Bootcamps	\$15,000
Attendants	150-200	
Graduates	150-200	
Match Savings Accounts	100-150	
Marketing/Kroger Cards	5 campaigns (@ \$1200)	\$6,000
Wisconsin \$aves/Edvest	8@\$500	\$4,000
Access to Technology 1:1	5 Laptops	\$5,000
Credit Recovery	4 Quarterly Sessions	\$25,000
<i>Account Case Management</i>		
2024 Clients	100-150 clients, 900 -1100 counseling hours	\$60,000
2024 Clients	80 clients, 500 counseling hours	\$27,000
Total 2024 Programmatic Request		\$142,000

ACTIVITY	QUANTITY/PARTICIPATION	TOTAL COST
Total 2024 Match Funds	Up to \$2,000 per account (150 accts)	\$300,000

TOTAL 2024 REQUEST		TOTAL COST
Max Programmatic/Match Funds		\$442,000

ORGANIZATIONAL CAPABILITIES

Since 1987, the Wisconsin Women's Business Initiative Corporation (WWBIC) has served as the leading innovative economic development corporation that is "Putting Dreams to Work" by assisting micro enterprise and small businesses throughout the 72 counties in Wisconsin. WWBIC opens the doors of opportunity by providing underserved individuals who are interested in starting, strengthening, or expanding businesses with access to critical resources including responsible financial products and quality business and personal financial training. WWBIC serves all, but focuses on individuals who face barriers in accessing business financing and training support, including women, people of color, veterans, and lower-wealth individuals. As a culturally effective organization, WWBIC strives to improve the economic well-being of underserved individuals by advancing inclusive entrepreneurship and facilitating self-sufficiency strategies.

WWBIC brings to the table time-tested expertise in targeting the underserved: women, lower wealth individuals, Veterans, and people of color. In 2023, WWBIC's 5,667 clients were 63% LMI; 70% female head-of-household; 31% received public assistance; 10% Veterans or military-connected family members. Statewide, 61% were people of color (WI POC population 14%) and 90% in Milwaukee (City POC population is 53%). WWBIC clients started, strengthened, or expanded 2,449 businesses creating or retaining 5,821 jobs. WWBIC's team and volunteers provided 25,439 counseling and training hours. Since 1987, WWBIC has served 78,376 individuals and loaned \$127M to small business owners. This technical and capital support has created/retained 23,848 jobs with 11,458 businesses started, strengthened, or expanded.

WWBIC's model of economic development is to support current and potential entrepreneurs, especially BIPOC, women, veterans, and lower-wealth individuals in a holistic culturally appropriate human-centered model. This involves coupling personal financial wellness training with entrepreneurship; focusing on credit recovery (rather than just short-term credit repair). Furthermore, WWBIC clients are paired with staff and volunteer mentors who provide one-on-one assistance in all aspects of personal financial and business planning. WWBIC provides responsible capital to startups and entrepreneurs; and coupled with ongoing training, mentoring, and coaching; allows for the building of generational wealth via entrepreneurship. WWBIC's holistic model of entrepreneur support is unique in ensuring that credit and other financial/entrepreneurial issues are not temporarily "repaired," but that entrepreneurs understand the power of credit, business finances, and entrepreneurship; and working with them to keep recovered credit and enterprises in excellent status. This model allows for 70% of clients to improve their credit scores and 69% of startups to remain in business after five (5) years (compared to the State of Wisconsin average of 52%).

WWBIC's credit recovery services and training enhance the entrepreneurship training to entrepreneurs in not only understanding their credit score, but going deeper in ensuring that they understand the holistic nature of credit and their buying power that is tied to this credit. WWBIC walks alongside the entrepreneur for a full year during their credit recovery journey; teaching and guiding to ensure sustainability and independence to tackle credit issues, should any arise in the future. WWBIC's holistic model of entrepreneur support is unique in ensuring that credit is not temporarily "repaired," but that entrepreneurs understand the power of credit, and training them to understand credit and how to keep their recovered credit in excellent status.

WWBIC clients are supported for one full year of credit recovery through certified credit counselors who are teaching and educating on how credit scores, product mixtures, and credit histories inform this score. WWBIC's combination of training, credit recovery, and one-on-one financial counseling allows for greater long-term success for personal financial wellness and building generational wealth. Financial wellness and wealth accumulation is transformative across households and generations; it supports economic mobility and helps solidify a household's social, political, and economic status.

To ensure that Wisconsin entrepreneurs have access to fair and responsible capital, WWBIC deploys its small business financing with options available from \$1,000 to \$350,000 with APRs of 5% to 10% for startups and existing businesses (compared to 13.75% and up for borrowers with a similar credit profile from other potentially predatory lenders). These responsible financial products can be used for starting or expanding a business, purchase or repair of machinery or equipment, furniture and fixtures, inventory, supplies, and working capital. Many of WWBIC's loans are also eligible for and have an SBA Community Advantage Guarantee and for any non-SBA products, clients are enrolled in the statewide MEDC CAP Access guarantee program.

WWBIC's lending is tailored for new entrepreneurs and startup businesses. As such, many of WWBIC's borrowers are traditionally considered "unbankable" by other business lenders because of their lack of business credit history, other personal credit history issues, lower wealth and lack of personal capital, has experienced personal financial setbacks, and may currently be working a low-wage job with no opportunity for advancement. Because of this profile, WWBIC pairs its financial products with a high level of training and technical assistance in order to be sustainable.

WWBIC's business training is designed for current and potential entrepreneurs and is offered at little to no cost to clients and is offered in both English and Spanish; as well as in-person at sites throughout the State as well as online. Training outreach is done in partnership with Job Centers, libraries, Small Business Development Centers (SBDC) housed at UW-System campuses, technical colleges, and other community gathering places. The trainings range from those who are considering entrepreneurship to those whose small business is already established. Training subjects include business planning, starting a business, cashflow, business structuring, pricing, financial management, technology, operations, marketing, and other aspects of starting and running a successful small business. To better reach WWBIC clients in rural areas, WWBIC is partnering with organizations in rural areas to provide these trainings in person; especially in areas where broadband access is unavailable.

WWBIC's technical assistance is provided both pre-loan and post-loan. During the pre-loan phase, a WWBIC Loan Officer works with clients to prepare their loan applications and business plans before presentation to WWBIC's Loan Committee for approval. Pre-loan technical assistance includes accounting, human resource management, and industry trends through group training as well as one-on-one consultation.

A WWBIC Small Business Consultant is assigned to each loan client immediately upon loan closure and begins providing technical assistance that continues throughout the life of the loan. WWBIC also leverages the local community expertise of more than 200 volunteers in professional fields (e.g. banking, law, accounting, taxes) who work one-on-one as coaches and mentors to WWBIC clients. In conjunction with these individualized resources, WWBIC's 24/7 online Initiate Portal which provides more than 300

interactive tools, templates, videos, articles, and guides for small business owners, all in ways that support various learning styles.

Since 2012, WWBIC has been rated by AERIS, the nationally recognized information service for community investors. AERIS provides a comprehensive, third-party assessment of community development financial institution (CDFI) loan fund fiscal strength, performance, and impact. In 2022, WWBIC was re-rated and demonstrated an improved performance.

WWBIC is pleased with our new rating of A-***. This rating represents an upgrade over our prior rating, reflecting organization improvements that were initiated because of our first rating. Our new rating also provides meaningful comprehensive information to make enhancements to our programs and processes.

THANK YOU!!