

Strength in Numbers

ANNUAL REPORT 2021

54

-10%

3

6

+

780

15

7

24

780,000

households served since 1966

Since our founding, Clarifi's counseling services and educational programs have empowered 780,000 households to move toward better financial futures.

As these households get healthier, their neighborhoods grow stronger, and future generations have more secure lives.

52 STAFF MEMBERS COMMITTED TO CLIENTS' SUCCESS

Clarifi's counselors and staff work to build stronger, healthier families and communities by giving people access to a reliable, trusted source of financial and housing advice, at no cost to them.

DEAR FRIENDS,

Have you ever had a doctor counsel you to "know your numbers"— things like cholesterol, blood pressure, and blood counts? Knowing your numbers is a great way to understand your health and prevent small problems from becoming major medical issues.

Clarifi believes that everyone — regardless of income or zip code — should also know their numbers related to financial health: debt level, emergency savings, budget, credit score, what they can afford for their rent or mortgage. We are the largest nonprofit in the Delaware Valley helping people in underserved communities develop tools to take charge of their finances and find their strength.



This is what we mean by “Strength in Numbers”—and it’s why we have chosen this as our new tagline.

WE TRUST OUR CLIENTS

2021 marked the start of Clarifi’s new cash grant program designed to give our lowest-income clients a boost when they need help covering rent, food, utilities, a car payment, or other costs of daily living. Through our Re-Entry Program, we award grants to Philadelphia residents who have been released from prison, which severely impacts their ability to find housing and jobs. We also started distributing grants to people in the Sharswood section of North Philadelphia. In fall 2021, the Philadelphia 76ers stepped up to fund housing counseling and grants for Sharswood residents, who are at high risk of eviction or foreclosure.

This program is so critical because we know that our clients cannot focus on long-term financial health when they are in a state of crisis. The grant award depends on their agreeing to work with a financial counselor, yet we also trust their judgment in using the funds as they see fit. So far, we’ve distributed nearly \$100,000 through this program — and we are now expanding this effort with a generous grant from Essent Guaranty because our counselors witness the pressing need for it every day.

WE’VE FORGED NEW PATHWAYS

Last year, Clarifi resumed in-person services with key partners such as PA CareerLink® and Children’s

Hospital of Philadelphia, as well as for some housing counseling sessions. However, the pandemic showed us that we can provide the same level of life-changing service over the phone or through virtual webinars and workshops. Many clients have told us that, due to work schedules and childcare, they could never have taken advantage of Clarifi’s services without a remote option. As difficult as the pandemic has been, it has taught us to think creatively about how to help people set financial goals and achieve them.



Clarifi’s 52 staff members are privileged to help people to find their own strength in numbers, so they can start living healthier, more secure lives . . . right now.

As our region grapples with new challenges such as inflation and rising home prices and rents, we see their disproportionate impact on people of color and low- to moderate-income neighborhoods. Wealth and financial knowledge are typically built over generations — but for so many, the entry point to long-term financial security seems unattainable. Clarifi’s mission matters now more than ever.

A handwritten signature in blue ink, reading "Steve Gardner".

Steve Gardner, Executive Director



1,195

clients participated in housing counseling

HOME OWNERSHIP = a more secure future

Helping People Achieve Stability

As rents and mortgages increased significantly over the past year, Clarifi's certified housing counselors were busier than ever. They offered guidance for clients aiming to become first-time homeowners in a challenging market, as well as for those seeking to avoid foreclosure or eviction after falling behind on rent or mortgage payments.

103 CLIENTS PURCHASED A HOME IN 2021

164 CLIENTS AVOIDED FORECLOSURE OR EVICTION



"My counselor was honest and open, and he gave me financial advice I wouldn't have known on my own. My plan in life is to do better than my parents, and I hope to set up my nieces and nephews to do even better than me."

— SAFYIA

There is a \$3 trillion racial wealth gap between Black and White families, almost half of which can be attributed to housing disparities. A person's home is often their greatest source of wealth. Someone looking to buy a home in Philadelphia in March 2022 would need to earn around \$49,000 per year to afford a typical mortgage — 17% more than a year ago (Redfin). Median rents in the area are also up 11% over last year (Realtor.com).



Safyia

Client from West Philadelphia

GOAL

To stop paying rent and build equity — and gain more freedom — by purchasing my own home.

CHALLENGES

I wasn't sure how to start! So I approached the Clarifi counselor in the CareerLink office where I work as an education and training coordinator.

SERVICES

Enrolled in a Clarifi boot camp for first-time homeowners and worked with a housing counselor, who helped me understand my finances and the mortgage process.

OUTCOMES

I secured a second job to save more money, qualified for a mortgage, and purchased my house in late 2020. My next goal is to make some home improvements!



Angel

Clarifi counselor to Karen,
a client from Bucks County

GOAL

Karen wanted to pay down excessive credit card debt, improve her budgeting skills, and save more money.

CHALLENGES

Difficulty with, and intense anxiety about, chipping away at \$40,000 in debt spread across about a dozen different credit cards.

SERVICES

Karen attended a Clarifi boot camp in summer 2021 and started financial counseling in the fall. I helped her develop a budget and prioritize paying down the highest-interest credit cards first.

OUTCOMES

- + Paid off most of her 12 credit cards
- + Continued making on-time monthly payments on three accounts to strengthen her credit score
- + Secured a second job to help pay down debt and establish emergency savings.

585

**clients decreased
their unsecured
debt by 10% or
more**

DECREASED DEBT = better health + financial stability

A Growing Need

Unsecured debt is on the rise among American households, including credit card debt, medical debt, and loan debt. According to the American Public Health Association:

+88%

**HOUSEHOLD DEBT NEARLY
DOUBLED FROM 2004 TO 2021.**

40%

**OF AMERICANS HAVE CREDIT
CARD DEBT, WITH AN AVERAGE
DEBT OF ABOUT \$6,000.**



“Working with clarifi was the best thing I’ve ever done. My counselor, Angel, gave me homework and kept me accountable. She changed my whole approach to spending money: I have a budget, watch what I spend, and rely more heavily on cash.”

— KAREN

Studies have shown a clear correlation between high levels of debt and poor mental and physical health, including conditions such as depression, anxiety, and high blood pressure. Clarifi’s counselors help people follow through on reducing their debt, not only to improve their well-being but also to free up income to meet basic needs and build financial stability.

6,770

**households
served in
2021**

2,413

**CLIENTS PARTICIPATED IN 127
EDUCATIONAL WORKSHOPS**

1,041

**CLIENTS IMPROVED THEIR CREDIT
SCORE BY 35+ POINTS**

FINANCIAL EDUCATION = new opportunities

In 2021, Clarifi offered boot camps and financial education workshops on topics ranging from “Savings Success” to “Keys to Homeownership.” Volunteer coaches from the community amplify the impact of these workshops by acting as accountability partners for clients as they develop and achieve their own action plans.

Clarifi clients working with a coach were 3X more likely than walk-ins to achieve at least one important financial health outcome.

(analysis by the Impact Genome Project®)

People with higher credit scores benefit from significant cost savings on everything from mortgage interest rates to insurance premiums to finance charges, as well as better access to high-quality loans. Clarifi’s counselors help clients understand and follow the best strategies for improving their credit score, ultimately aiming for 620 or higher (on a scale of 800).

1 in 5 Black consumers and 1 in 9 Latino consumers have credit scores below 620.

(Forbes.com)

Profile

2021 Clarifi Clients

Gender

72% Women
19% Men
9% Other
(or undisclosed)

Income

41% Extremely Low
25% Very Low
22% Low
6% Area-Median
6% Above Area-Median

Education Level

1% Elementary
44% High School
40% College
5% Graduate School
10% Not Reported

Race/Ethnicity

62% Black or
African-American
10% Mixed Race
12% White/Caucasian
6% Hispanic/Latino
1% Asian-American/
Pacific Islander
9% Other

Age

4% 18-24
48% 25-44
34% 45-64
14% 65+



Marcello

Program Navigator,
Housing Counseling Program



GOAL

To help every client have a safe place to live.

CHALLENGES

The wide range of situations clients face. Some are ready to buy a home, some need financial counseling first, and still others are on the verge of losing their home and need guidance about next steps.

SERVICES

I'm often a bridge between housing counselors and the clients, making sure all documents are in place for buying a home or preventing foreclosure or eviction.

OUTCOMES

We work with about 100 clients each month and help them position themselves for success, whatever obstacles they face.

9,154

**counseling
sessions
delivered to
6,115 individuals**

COUNSELING = knowledge + resilience

A Model For Success

Research by the Cities for Financial Empowerment Fund shows that the financial empowerment model Clarifi uses can help clients achieve meaningful financial outcomes, such as:

- > opening or transitioning to a safe bank account
- > establishing a credit score
- > increasing savings by at least 2% of annualized monthly income

Other key metrics we aim for:

+35 **POINT INCREASE
IN CREDIT SCORE**

-10% **DECREASE
IN DEBT**



"Often it's about teaching clients to walk before they can run. Many people who want to buy a home need financial counseling to raise their credit score, reassess their budget, save money for a down payment. We help them stay focused on their ultimate goal, but they may need to start a little farther back."

— MARCELLO

Our 40 certified financial and housing counselors live and work in the communities Clarifi serves. They are personally invested in empowering others to achieve financial resilience. Counselors build long-term relationships with clients based on empathy and trust, delivering one-on-one sessions personalized to each individual's goals.

CLARIFI'S REACH

75

CHESTER COUNTY

452

NORTHWEST PHILLY

214

MONTGOMERY COUNTY

1,354

NORTH PHILLY

1,190

WEST PHILLY

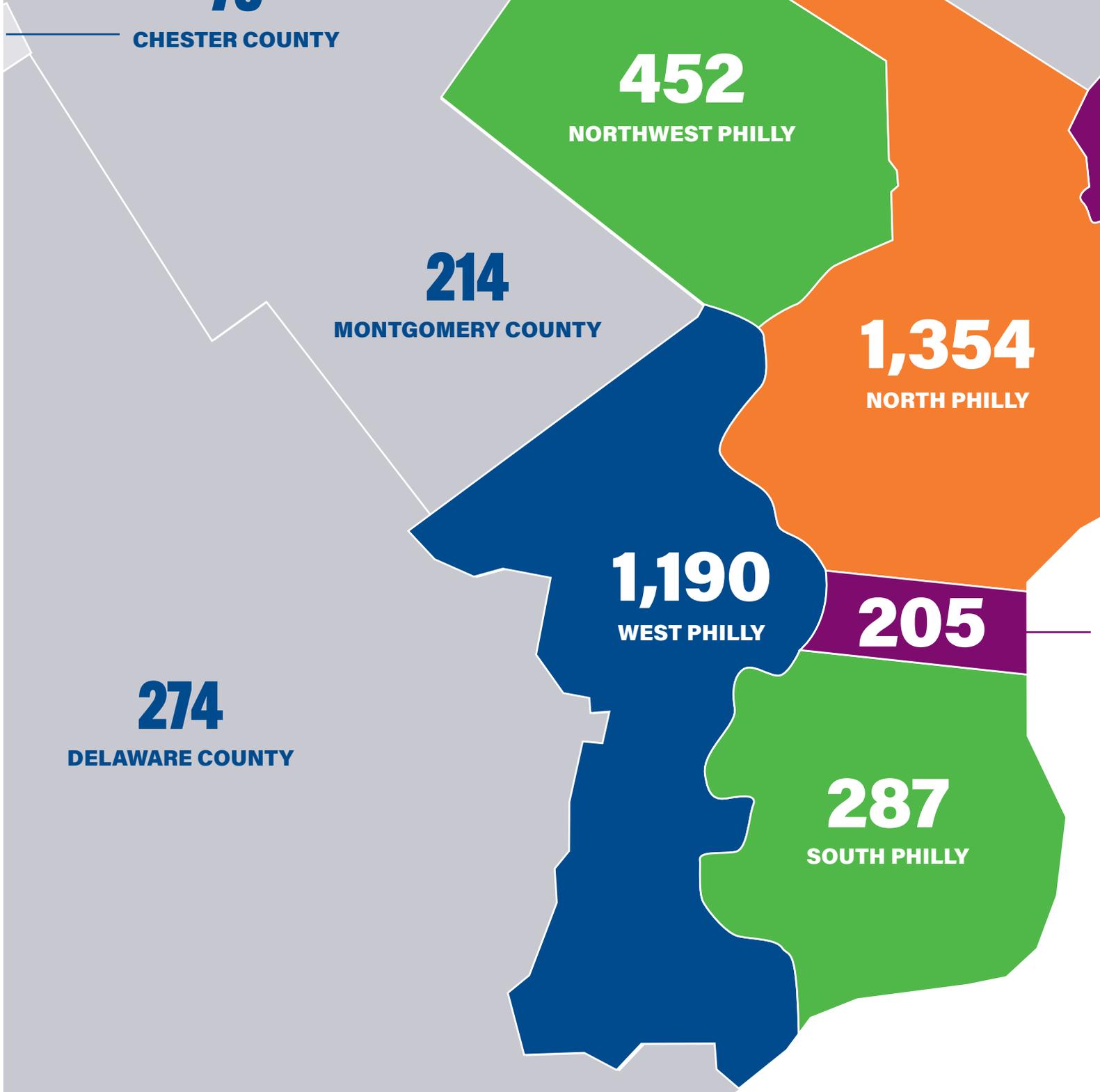
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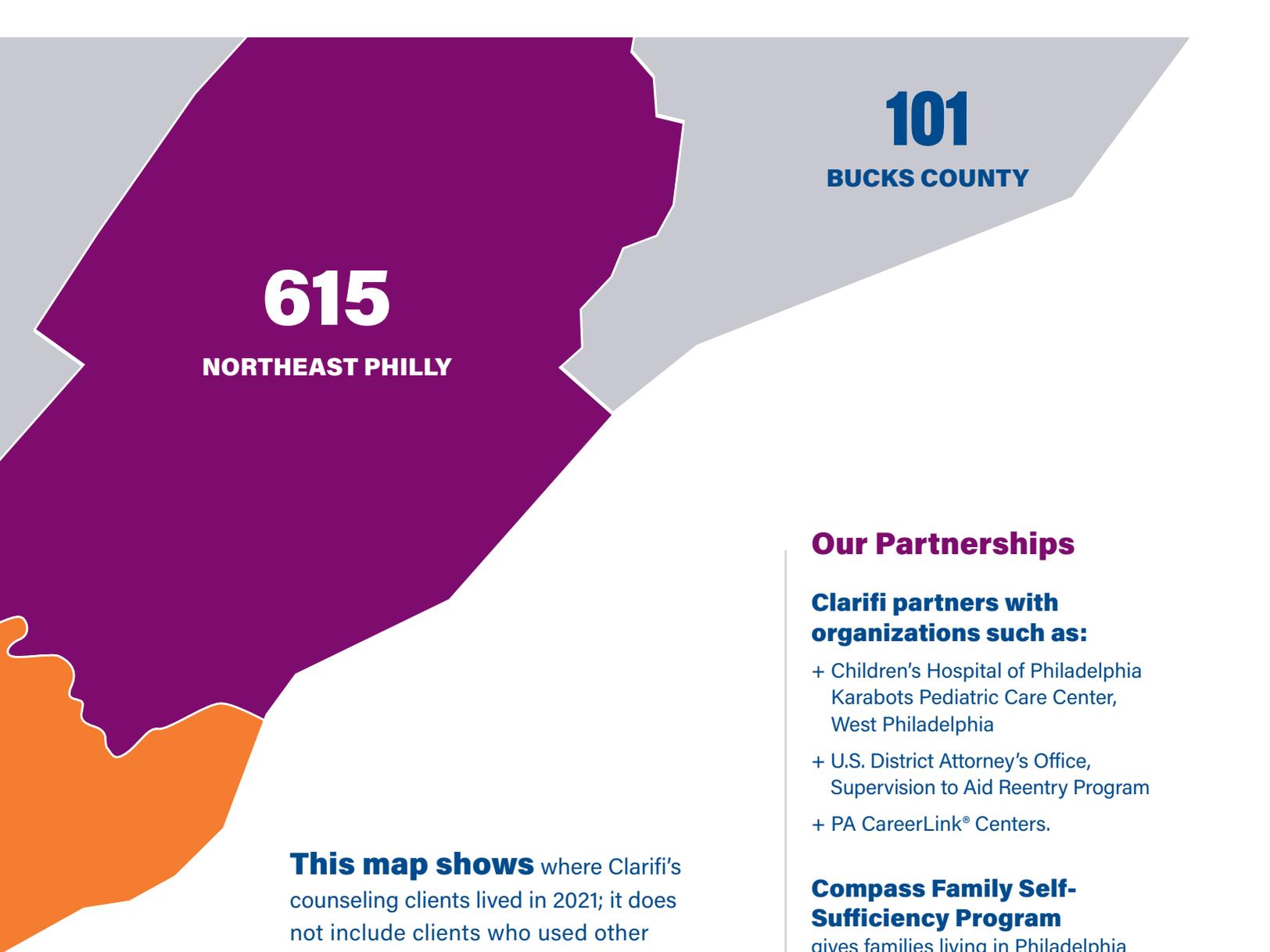
274

DELAWARE COUNTY

287

SOUTH PHILLY





101

BUCKS COUNTY

615

NORTHEAST PHILLY

CENTER CITY

This map shows where Clarifi’s counseling clients lived in 2021; it does not include clients who used other services such as financial education and boot camps.

Most of our clients — more than 4,100 — reside in Philadelphia County, but Clarifi also served 664 clients in neighboring Pennsylvania counties: Montgomery, Chester, Bucks, and Delaware County.

Not shown on this map are Clarifi’s:

356 CLIENTS IN
NEW JERSEY

153 CLIENTS IN
DELAWARE

Our Partnerships

Clarifi partners with organizations such as:

- + Children’s Hospital of Philadelphia
Karabots Pediatric Care Center,
West Philadelphia
- + U.S. District Attorney’s Office,
Supervision to Aid Reentry Program
- + PA CareerLink® Centers.

Compass Family Self-Sufficiency Program

gives families living in Philadelphia Housing Authority-owned properties and Section 8 housing the ability to increase their income and savings.

Restore, Repair, Renew,

a partnership program with the Philadelphia Redevelopment Authority, connects homeowners with low-interest loans so they can make repairs to maintain or improve their homes.

Our Services

- > Financial empowerment counseling
- > Housing success counseling
- > Financial education workshops

A black and white portrait of Keisha, a woman with dark, curly hair, smiling. She is wearing a floral-patterned top, a necklace, and hoop earrings. A tattoo of the name 'Keisha' is visible on her left arm. The background is dark with a green geometric logo on the right side.

Keisha

Client from West Mount Airy, Philadelphia

GOAL

Save enough money not only to buy my first home but also make necessary renovations.

CHALLENGES

Needed to bring in more income, increase savings, and improve my credit score.

SERVICES

- > Financial counseling for two years
- > Enrolled in the Family Self-Sufficiency Program, which allowed me to save increased income from multiple jobs in an escrow account.

OUTCOMES

- + Saved \$15,000
- + Increased my credit score by 140 points
- + Purchased a home in West Mount Airy in February 2022 and made improvements such as hardwood floors, new lighting, and a kitchen renovation.

1,832

clients
established
emergency
savings

SAVINGS = stability + shock absorption

Developing Strategies for Saving

Clarifi primarily serves low-income households that can easily be knocked off course by a medical expense, a car or home repair, or job loss. Our counselors help clients develop an action plan for increasing their savings, even with limited incomes. Beyond saving just for emergencies, we also counsel them as they save for goals such as buying a house or car or advancing their education.

ONLY 44%

**OF ADULTS HAVE ENOUGH
SAVINGS TO COVER A \$1,000
UNPLANNED EXPENSE.**

(Bankrate)



“Never in a million years did I think I would have my own home. Clarifi is a blessing. I would encourage anyone to go through this program, stick with it, and just do everything they ask you to do. I tell everyone about it.”

— KEISHA

Setting money aside for an emergency is critical for all households, but especially those with limited or unpredictable incomes. Families with even a small amount of nonretirement savings are less likely to be evicted, miss a housing or utility payment, or receive public benefits when income disruptions occur. Low-income families with savings are more financially resilient than middle-income families without savings (The Urban Institute).

58

grants made by our Re-Entry Program

EMPOWERMENT FOR RE-ENTRY = a fresh start

In 2021, Clarifi continued our role as the financial counseling partner for the Supervision to Aid Re-Entry program (STAR), run by the U.S. Attorney's Office for the Eastern District of Pennsylvania. Our counselor worked closely with 40 clients to help them find employment and housing and build financial stability after their release from federal prison.

40,000

people return to Philadelphia from state and federal prisons each year.

(Economy League of Greater Philadelphia)

44,000

Philadelphians are on probation at any given time.

90%

of STAR program graduates avoid re-arrest or having their probation revoked, vs. 66% of all returning citizens.



"We aim to relieve some of the anxiety and stress that clients face when they are returning to society. Many don't know how to start rebuilding their financial picture, and Clarifi works to ease that burden. The cash grant is really a tool for them to practice the financial education they receive."

— TYLER

Easing Transitions With Cash Grants

Clarifi also started a cash grant program that provides grants of \$1,000 to STAR clients who need help covering food, rent, job training, transportation, or other expenses as they work to regain their footing. We recently expanded the grants program to include other Philadelphians with a prison record, which can have a devastating impact on prospects for housing and employment.



Tyler

Program Manager,
Financial Empowerment Centers

GOAL

Combine cash grants with financial literacy education to help Philadelphia residents who are formerly incarcerated get back on track.

CHALLENGES

A big one is helping clients to avoid recidivism, as well as find housing and build better credit. Fractured family relationships can add to their challenges.

SERVICES

- > Financial counseling sessions
- > Referrals for housing assistance through the Office of Homeless Services and the Philadelphia Housing Authority
- > \$1,000 grants to help with rent, food, a car purchase, or other needs.

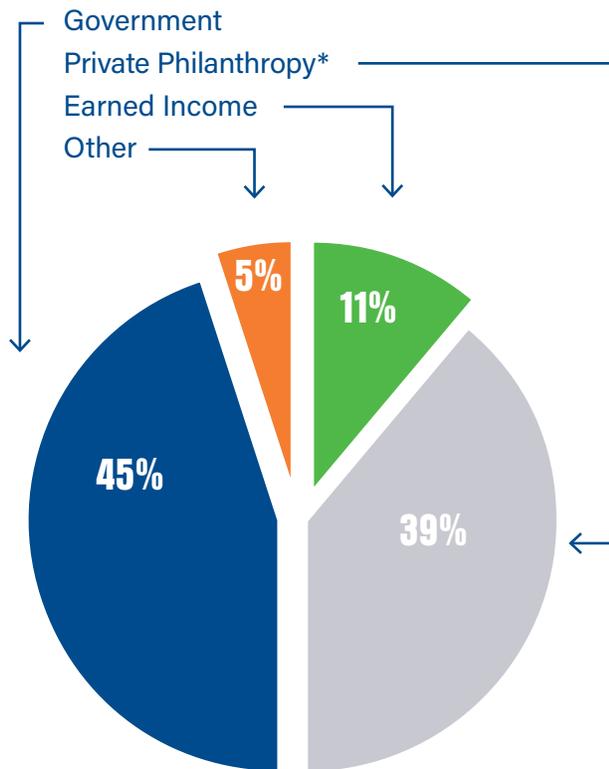
OUTCOMES

We've given 130 cash assistance grants so far and expect to be up to 350 by July 2023. A \$1,000 grant can't fix everything, but it's a step in the right direction.

Financials

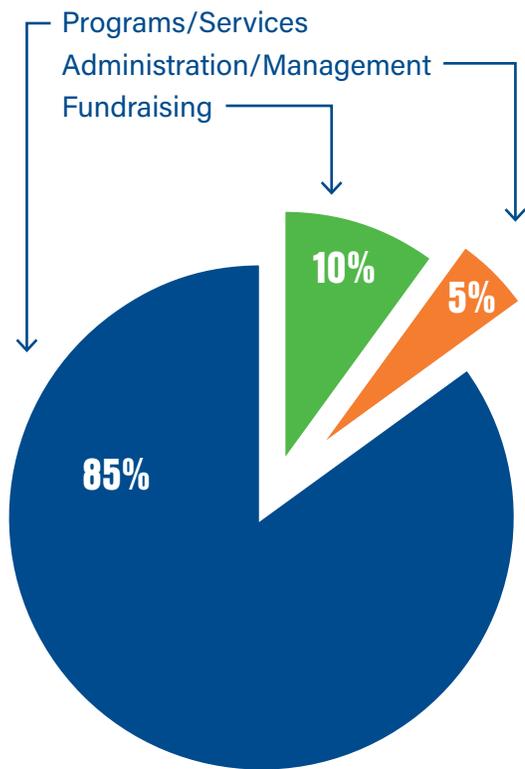
REVENUE

\$4,707,961



EXPENSES

\$4,458,276



*Corporations, Foundations, Individuals

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Donors

\$200k+

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Oak Foundation
Pennsylvania Housing Finance
Agency
Philadelphia Housing Authority
Philadelphia Works
United Way of Greater Philadelphia
and Southern New Jersey

\$100k+

Children's Hospital of Philadelphia
JPMorgan Chase
Philadelphia 76ers
Philadelphia Division of Housing
and Community Development
Redfin
Santander Bank
US Department of Housing and
Urban Development
William Penn Foundation

\$50k+

BLBB Charitable
Capital One
Lincoln Financial Foundation

\$20k+

Bank of America
Burlington County Board of Chosen
Freeholders
Citizens Bank
Community Legal Services

Delaware State Housing Authority
Key Bank
National Foundation for Credit Counseling
New Jersey Housing Mortgage
Finance Agency
Philadelphia Federal Credit Union
TD Bank
The Bancorp Bank
The Foundation for Delaware County
The Philadelphia Foundation

\$10k+

Delaware Community Foundation
Dolfinger McMahon Foundation
Holman Automotive
M&T Bank
Philadelphia Industrial Development
Corporation
TransUnion
Wells Fargo

\$5k+

Barclays US
Bryn Mawr Trust Company
Deloitte & Touche
Fox and Roach Charities
Habitat for Humanity Bucks County
HSBC
Independence Blue Cross
LLR Partners
Macquarie Group
Montgomery County Workforce
Development Board
Republic Bank
State Farm
Stephen A. Gardner
The Bank of Princeton
United Way of Chester County
Wayne & Evin Anglace
WSFS Bank

\$1k+

Alexandra Samuels & Peter Kohn
Ambler Savings Bank
Center for Family Services
Christian R. and Mary F. Lindback
Foundation
Dana & Greg LeGrand
Haddon Savings Bank
Investors Bank
Jeff & Eileen Hennessy
Jill Herriott
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Kate Williamson
Lutheran Settlement House
Mimi Wang Berry
New Courtland
Peter Bilinsky
Scott Nagel
Shore Family Foundation
The Benham Family
The Freedman Family Charitable
Fund
The Leonik Family
The Soven Family
United Way of Gloucester County
Univest Financial

\$500+

Anonymous
Dana Brown
Karen Gross
Robert Hui
Mitchell Koblenz
Nancy Rosenau
Laura Stansbury & Justin Speight
Patrick Trauger
Catherine Ulozas

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