Money Management INTERNATIONAL

Improving lives through financial education.

2009
Annual
Report

MONEY MANAGEMENT INTERNATIONAL | CONSUMER CREDIT COUNSELING SERVICES

Arizona | Arkansas | California | Colorado | Connecticut | Idaho | Illinois | Louisiana | Maine | Maryland
Massachusetts | Mississippi | New Hampshire | New Jersey | New Mexico | New York | Oregon
Pennsylvania | Rhode Island | Tennessee | Texas | Virginia | Washington | Washington D.C. | Wisconsin

President's Message

In 2009, the economy made steps to recover from recession; however, as we all know, many American consumers spent the year struggling to survive financially. Just like there are many factors that play into the rise and fall of a nation's economy, there are many factors that can impact a consumer's personal economy. Rising prices and reduced savings can leave consumers extremely vulnerable. At Money Management International (MMI), we are experiencing a tremendous increase in the number of consumers seeking help due to unmanageable debt, unaffordable housing, and decreased income.

Unmanageable debt

MMI clients' average debt has increased by 49 percent just in the past two years. With these high debt levels, it is no wonder that the number of consumers needing assistance has increased. In fact, the number of consumers who sought help from MMI with debt repayment rose by an astonishing 60 percent in 2009.

Unaffordable housing

In addition to unsecured debt, consumers also struggled with mortgage debt. Our total housing counseling sessions rose 53 percent over the previous year to more than 192,000.

Decreased income

Six out of ten consumers we helped through debt repayment in 2009 said their main financial concern was job-related. To provide the help and hope these consumers needed, MMI added to our workforce—now nearly 1,500 strong. In 2009, the MMI team:

- conducted a record 693,307 counseling sessions;
- assisted clients in repaying $605,239,248 in debt;
- set up more than 55,000 new Debt Management Plan (DMP) accounts;
- supported more than 100,000 existing DMP clients;
- delivered a record 5,069 educational programs, reaching a total of 136,180 consumers;
- provided a record number of consumers with financial education through traditional and online media.

Even in the glow of a record-breaking year, we must ask "what's next?" To meet the ever-changing and growing needs of American consumers, MMI must continually improve and adapt to provide our clients solutions of value. As we look forward to 2010, we recommit ourselves to working together to further our mission of improving lives through financial education.

Ivan Hand
President and CEO

Key Facts

Education

Programs	5,069
Audience	136,180
Webcast Views	74,469
Advice Team Responses	3,238

Counseling

Total Counseling Sessions	693,307
Debt and Budget Counseling	217,724
Housing Counseling	214,367
Bankruptcy Counseling and Education	261,216

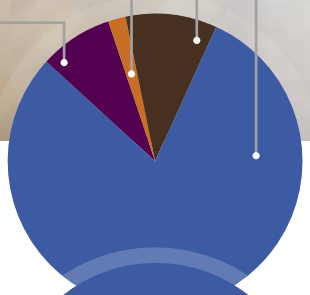
Debt Management Plan (DMP)

Corporate Statistics

Active DMPs	105,015
Debt Repaid thru DMPs	$605,239,248

Debt Repaid Distribution

Credit Card Companies	80%
Retailers	10%
Banks	2%
Other	8%

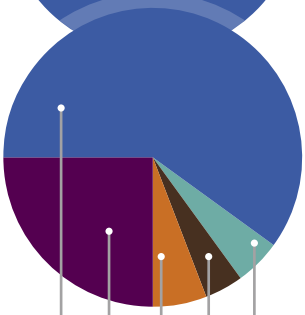


Client Profile

Age	45
Total Debt	$29,557
Annual Income	$46,277
Number of Creditors	6

Ethnicity

Caucasian	63%
African-American	12%
Hispanic	14%
Asian	3%
Other	8%



Causes of Financial Concern

Reduced Income	60%
Excessive Credit Use	25%
Poor Money Management	6%
Medical Expenses	4%
Other	5%

Guiding Principles

Our Mission

From the onset, MMI employees have believed in the importance of financial education. In fact, we exist to do just that—educate consumers. Financial issues impact more than just finances—financial education can and will improve lives. Our mission statement clearly defines our purpose and function.

OUR MISSION:

Improving lives through financial education.

Our Vision

We are already recognized as an industry leader. We aspire to be recognized as an organization that provides solutions valued by everyone seeking financial education programs and services. This recognition will be earned because we are focused not on our own success, but on the success of our customers. Our vision statement clearly describes what we are working toward.

OUR VISION:

MMI will be the recognized leader in educating and empowering individuals and families to attain financial success.

Years from now we will be known for what we accomplished today. Guided by a set of core principles, we are more prepared than ever to provide consumers with the financial education programs and services they need to address today's economic pressures as well as those in the future. MMI's Guiding Principles are bigger than any specific goal or program – they are the way we approach and carry out our daily activities.

Customers will know we care.

At MMI, customer satisfaction is everyone's responsibility. Every person with whom we come into contact—whether they are a client, coworker, creditor, or member of our local community—will know that we care. We will focus not on our own interests, but rather on the interests of others. We will express our caring in both words and actions, and we will continually look for opportunities to further our mission through innovative program and service offerings.

We will inspire and respect each other.

We will encourage and respect others' opinions and ideas. We will recognize and reward those who go above and beyond the call of duty and will provide a safe and encouraging workplace where team members feel valued for their contributions and individual strengths. We will invest in our employees by offering opportunities for education and encouraging them to use their skills and talents to the greatest extent.

We will act with integrity.

In the pursuit of truth and honesty, we will recognize that our individual choices impact the organization, our fellow employees, and our constituents, and so we will exhibit reliability by taking responsibility for our actions and keeping our commitments. We will continually work to build trust among ourselves and others. We will continually seek ways to improve our policies, procedures, and technology to help our fellow employees and the organization exceed industry standards.

We will be financially responsible.

Our financial priorities are guided by our mission to improve lives through financial education. We will "practice what we preach" by using our resources wisely. We are committed to not only maintaining, but also expanding, our funding. Advancements in our mission will be supported by the organization's strong financial health. We will also focus on reducing errors in the workplace and will continually seek new ways to improve our efficiencies and effectiveness.

A strong organizational culture is important to MMI because culture guides everything we do, from servicing our customers to how we hire, train, and develop our employees. Looking forward, we're committed to incorporate these guiding principles into all aspects of our organization.

More than 60 percent of the clients we counseled through debt repayment in 2009 indicated job loss as the cause of their financial setback, a nearly 20 percent increase in the number of clients who cited the same problem in 2008. The number of consumers seeking assistance from MMI because of unaffordable housing and unmanageable debt also increased considerably. Clearly, last year's economic climate was shifting the challenges consumers were facing.

Customers will know we care.

From the client's initial phone call to MMI, to ongoing counseling, education, and support throughout the programs we provide, MMI embraces a culture of excellence and caring that places the customer's needs over those of the organization. From the smallest words and actions to our biggest initiatives, we want to show our customers that we care about the financial crises they face and that we can offer hope for a brighter financial future.

MMI counselors are trained to deliver financial advice and education designed to help consumers develop the skills to empower them to not only overcome their current financial setback, but enable them to achieve long-term financial success. In 2009, our counselors were actively engaged in listening to and counseling nearly 700,000 individuals and families. Though advice differed depending on the individual situation, our guidance was delivered with a message of compassion and hope.

Our deep commitment to our clients guides us in matching them with the best service or program to achieve their financial goals. MMI counseled more than 217,000 consumers struggling with debt. Of those counseled, more than 25 percent chose a Debt Management Plan (DMP) as their best option for repaying debt. Through MMI's DMP program, clients paid back more than $605 million in 2009.

The act of caring involves reaching out, not just waiting for struggling consumers to come to us. For each of the 1,140,469 consumers we spoke with in 2009, there are many others who are unaware of, and in need of, our services. With this in mind, we carried our mission of improving lives through financial education into our local communities. By leveraging local and national media, we built awareness of MMI and the resources we offer, succeeding in increasing our media exposures by more than 25 percent to more than 4,500 exposures. Through the media, we have been able to offer financial advice and education to more people than ever before.

"Just wanted to share that I purchased a condo at the end of this year! Yep, back in debt, but this time it is for a good cause, and I use the skills I learned in budgeting to make sure I could afford it! I had absolutely no problems getting a loan on my stellar credit! Just thought I would update you and share what can happen when a person truly applies themselves to sacrifice for their ultimate financial goals."

Sandi J. | Former Client

Our commitment to caring about our community leads us to offer the best and most comprehensive financial education programs and tools to transform poor financial habits into sound money management skills. In 2009, more than 136,000 consumers benefited from one of our education seminars and community outreach programs. Through partnerships with local community organizations, financial institutions, social service agencies, and employers, our educators and certified volunteers delivered more than 5,000 educational programs.

MoneyManagement.org

Technology is a resource which allows us to educate and connect with consumers in unprecedented new ways and plays an important role in the success of our programs, our services, and our clients. In 2009, more than 2 million people visited MoneyManagement.org and had access to the tools and resources to inspire positive financial change.

In December, the launch of our new corporate Web site expanded our online resources. With a more user-friendly interface and features, consumers can learn about the services MMI offers and access financial tips, information, and resources most conducive to their personal learning style via a variety of formats.

Our new Web site includes:

- more than 150 financial education articles;
- 11 educational webcasts receiving a total of more than 6,000 views per month;
- a growing library of free eBooks;
- 35 financial calculators;
- an educational podcast series, *How to Improve Your Financial Life;*
- details about the variety of programs and services MMI provides to fulfill our mission;
- Ask the Experts feature, which receives more than 250 questions per month; and
- our corporate blog, *Blogging for Change.*

Our educational outreach includes:

- a comprehensive financial education series covering topics from goal-setting to identity theft;
- employee lunch and learn seminars;
- homebuyer classes;
- K-through-12 school programs;
- college programs;
- comprehensive educational webinars and webcasts;
- train-the-trainer workshops for social service agencies; and
- training for our Certified Money Management Volunteer program.

"MMI's presentation to the Christian Community Coalition was truly well done! I was very proud to have such a relevant topic presented to our group. You did a wonderful job of giving valuable information and inspiring our members to consider adding financial education to their repertoire as they work with people who are often struggling with life! Thank you again for sharing your valuable time with us and for bringing "Financially Savvy Communities" to our community!"

Anne Patterson, Secretary | Spokane, WA

We will inspire and respect each other.

With nearly 1,500 employees working in 124 locations around the nation, MMI is a diverse workplace of individuals all guided by the same principle: we will inspire and respect each other. As the nation's largest nonprofit credit counseling agency, differences in opinions and ideas exist, but this diversity of thought is not viewed as a disadvantage; rather, it is seen as an asset that can inspire necessary change as well as embrace honored tradition.

Employees in the nonprofit industry do not just have a job, they have a purpose. This common thread of helping others connects every member of the MMI family, creating a culture in which every individual is respected and valued for their contributions. Our many unique and talented employees working together are responsible for building our culture of excellence and caring.

"As a support counselor, I've had the opportunity to learn that all clients have a story and a reason for their current situation. Every client I speak with has had an experience that speaks louder than words. The best feeling is when I hear the excitement in their voices when they successfully complete a Debt Management Plan. After working and struggling to make consistent payments month after month, most for a number of years, the joy in their voices just brings a smile to my face, and at times, a tear to my eye. Being able to help them improve their lives, make me proud to be a counselor."

Jezenya Acosta | Support Counselor

We will act with integrity.

In the face of economic turmoil – record numbers of foreclosures, millions of jobs lost, chaos on Wall Street, and many other financial pressures – MMI was presented with a unique opportunity to exemplify what it really means to be successful. Our success is based on our integrity: our ability to be reliable, take responsibility for our actions, and keep our commitments. No matter their role, each of MMI's dedicated employees strives to serve our clients with honesty and compassion.

In 2009, MMI was reaccredited by the Council on Accreditation (COA) and recognized as an outstanding provider of quality services. COA is an independent nonprofit international accreditor with very high standards. MMI is also a member of the National Foundation for Credit Counseling (NFCC), and the Association of Independent Consumer Credit Counseling Agencies (ACCCA). Being a member in good standing of these organizations is a testament to MMI's credibility and integrity.

"I have been a Money Management International client for a couple of years now. I firmly believe in the MMI philosophy and your company's mission to help clients get back on the right track. Through your counseling services, you are able to help struggling consumers like myself consolidate and pay our bills in a manageable manner."

Rosemarie M. | DMP Client

The measures we take to protect the trust our customers place in us support our commitment to act with integrity. We continually seek ways to improve our policies, procedures, and technologies. The incredible growth and expansion of MMI in recent years has been due, in part, to our technological improvements. By strategically investing in technology, MMI is able to improve efficiencies and safeguard sensitive information.

With Independence, our newest client management system launched in late 2009, counselors and support staff are better equipped to meet clients' existing needs and anticipate future needs. With enhanced integration, increased safety features, and better navigation, Independence is a reliable tool providing flexibility and control for counselors and managers, which enables them to offer superior customer service.

Integrity plays an important part in our counselors' everyday interaction with clients. Many of the people we see have tried everything from handling debt on their own, to seeking help from their creditors, to selling assets, to using funds earmarked for other debt obligations. Carefully approaching each individual counseling session honestly and with compassion, we help consumers make hard choices. Our counselors help clients analyze their situation and help them make the best possible decision based on their family's financial needs. Although many consumers are reluctant to give up on their debt obligations, at times bankruptcy is their best option. MMI is approved by the Executive Office for U.S. Trustees to deliver mandated bankruptcy counseling and education services. Last year, we counseled more than 170,000 consumers considering bankruptcy, and more than 90,000 participants benefited from our pre-discharge bankruptcy education program.

We will be financially responsible.

Financial responsibility, in many ways, is one of MMI's greatest characteristics. Advancement in our mission is supported by the organization's strong financial health. We believe that we can accomplish great things by working together. Through creating and maintaining relationships with individuals, organizations, companies, government entities, and community groups, we can provide the financial education programs and services that have helped consumers for more than 50 years reach their financial goals. Through responsible use of resources, including nearly $25 million in grants received in 2009, MMI was able to offer programs and services that address the current needs of consumers.

Housing-related services were still in high demand in 2009. Last year alone, more than 230,000 homeowners contacted MMI looking for help keeping their home. Through working relationships with NeighborWorks® America, Homeownership Preservation Foundation, HSBC – North America, and MyFico Mortgage, MMI was better equipped to provide housing counseling services to nearly 193,000 struggling consumers, provide grants to homeowners totaling more than $295,000, and assist in more than 40,000 recommended loan modifications.

With so many individuals and families struggling to make ends meet, more and more business owners are offering workplace financial education to help their employees overcome financial issues. MMI's Fiscal Fitness Program is an employer- and institution-sponsored program offering a proactive approach to financial counseling and education. Last year, more than 178,000 individuals and families were covered by one of our Fiscal Fitness Programs.

"Buying and owning a home is, for many Americans, the single most important investment they will ever make. To be able to assist people in maintaining the dream of homeownership is truly rewarding."

Niko Allen | Housing Counselor

Another valuable resource is MMI's certified volunteers. Volunteer support is vital in helping us meet our goal. With certified volunteers spanning the nation, we were able to provide more than 1,485 additional hours of financial education to our local communities.

Financial responsibility is something we strive to accomplish, not only for the organization as a whole, but also for our employees. Our counselors and educators are more effective in delivering financial advice when they themselves understand the fundamentals of being a good money manager. To that end, we offer a number of continuing education opportunities to help our counselors and educators stay sharp and up-to-date on the economic issues that impact consumers the most.

"I always knew I was going in the wrong direction but couldn't put the brakes on. With MMI's help, I am learning to live within my means without depending on credit cards. I am beginning to see the light at the end of the tunnel, which is a great feeling. Thank you, MMI, for being there for me."

Joy B. | DMP Client

"It's been my pleasure to work alongside MMI to ensure that people in my community have access to great financial education resources and a network of people who can help guide them toward greater financial health and well-being."

Leslie H. | MMI Volunteer

We extend our gratitude to our board of directors, major contributors, donors, partners, and volunteers for their guidance and generous support in 2009. Your contributions assured the success of MMI's programs and initiatives.

We also want to thank organizations and individuals who support MMI through donations of money, time, space, and resources; your dedication allows us to expand our reach and support our mission. We also acknowledge organizations that refer consumers to needed programs and services. These solid relationships allowed MMI to assist a record number of consumers in 2009.

Thanks to all of you! Each and every contribution makes a difference. Together, we are improving lives through financial education.

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Accredited By COA Council on Accreditation

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