



DebtWave
Credit Counseling, Inc.
Making Your Life Simple

2014 ANNUAL REPORT

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LETTER FROM THE CHAIRMAN

Dear Friends:

2014 was a year of growth and change for DebtWave Credit Counseling, Inc. We were able to provide resources and services to over 23,500 attendees through our counseling sessions, seminars, workshops, and/ or community outreach events. As more and more people find themselves in peril due to a variety of circumstances, DebtWave is here to help. Our rebranding will position us as a leader in the credit counseling space, and combined with our unparalleled education programs through the San Diego Financial Literacy Center (SDFLC), DebtWave is ready, willing, and able to become the preeminent resource for our community.

In 2015, we will continue to support our military through the SDFLC's Boost For Our Heroes program, providing \$3,000 each quarter to a military family while also maintaining our education calendar of over 200 events annually. Our Debt Management Program yielded a record number of graduates in 2014, with more than 2,400 individuals completing the program and becoming debt-free. We also witnessed an increase in enrollments from the previous year as nearly 2,000 individuals started on the path to financial freedom in 2014.

We look forward to another banner year and thank you for your continued support of our organization.

Sincerely,

Antony Murigu

Antony Murigu



DEBTWAVE CREDIT COUNSELING, INC.

MISSION, VISION, AND HISTORY

In 2001, DebtWave was established as a 501(c)3 nonprofit organization with the vision of delivering financial education and debt management services. Similar to today, many households were facing budgetary challenges, money mismanagement issues, and an overall lack of financial education. As we enter 2015, the need and request for educational workshops and debt management services is still in high demand. By providing top-tier credit counseling and educating on the best methods to manage and eliminate debt, we empower our clients to become financially fit and self-sufficient.

Our mission is to educate the public on the proper use of credit through budget management, to offer sound counseling, and to assist clients in reducing and eliminating debt. We deliver services at the highest standards of professionalism so that your transition to better financial health is both pleasant and personal.

It is our passion at DebtWave to provide you with the best education and most appropriate programs to manage your debt and become financially fit. Because we know how difficult it is to reduce debt, we make it simple by offering services and programs that are both informative and practical.

SAN DIEGO FINANCIAL LITERACY CENTER (SDFLC)

Since its inception, DebtWave has been extremely active in the San Diego community with our outreach efforts focused on youth, military, and low-to-moderate income families. Today, the community outreach program is stronger than ever under its new moniker, San Diego Financial Literacy Center (SDFLC). We are continually growing our outreach and partnerships evidenced by the over 100 community and corporate partners working with us to achieve our mission and vision each day.

The SDFLC continues to bring real, relevant, and topical personal finance education to our region. All of the SDFLC programs and services are provided free of charge. The core programs continue to focus on youth and low-income persons, but in 2014, we became heavily involved with the military population as well. The SDFLC helps by enhancing your financial IQ and is working to meet its vision of turning San Diego into “*America’s Finest Financially Literate City.*”

The mission of the San Diego Financial Literacy Center is to educate and empower individuals and families to make sound financial decisions and develop positive personal finance habits for life.

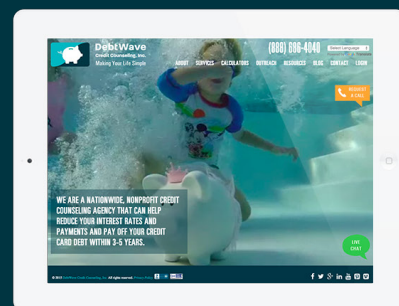
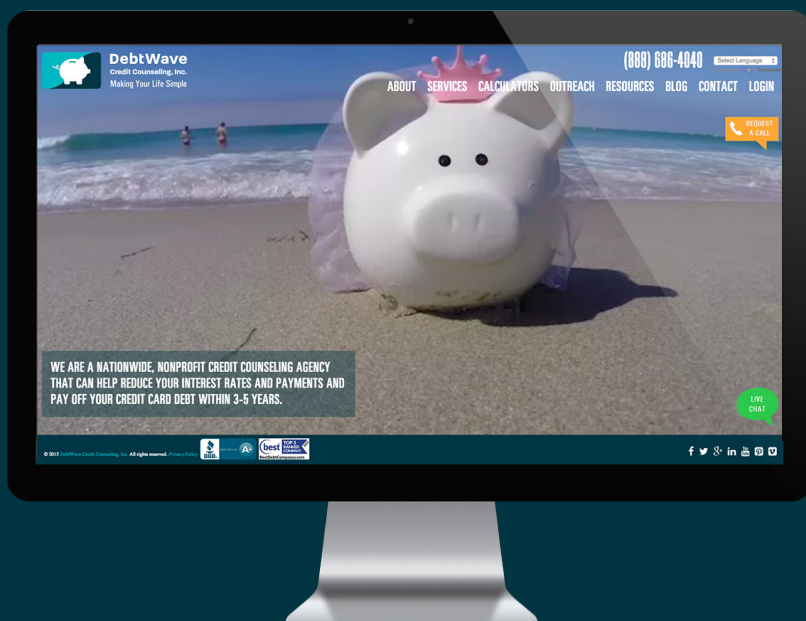
NEW INITIATIVES FOR 2015 AND BEYOND

DebtWave started a rebranding effort beginning in fall of 2014 and introduced our rebranded image in January 2015. A revamped website featuring: a new logo, a fresh color scheme, and our new slogan – “Making Your Life Simple” – provides us with an opportunity to better serve our community and constituents. Our unofficial mascot, a piggy bank, can be found throughout our website, on our logo, and in our videos. Also, as part of our rebranding efforts, our community outreach department has become San Diego Financial Literacy Center.



DebtWave also began development of our online portal, dubbed [Payoff Pilot](#). Set to launch in June 2015, Payoff Pilot will allow individuals to perform a self-guided credit counseling session and learn about the many debt management tools and resources available. This software will allow individuals to view their credit report and score, create a budget, see their potential savings, and analyze a variety of debt repayment options.

The 2015 to 2016 strategic plan of DebtWave is to continue to provide top-tier credit counseling and world-class personal finance education through the SDFLC. Developing a true philanthropic model in which the community can support our efforts to bring fundamental financial change to our most at-risk populations will be the benchmark of our outreach program for the foreseeable future. Focusing on our youth, military, and low-income citizens is imperative to ensure the financial future of our city, state, and nation. As more and more Americans and San Diegans must deal with debt on a daily basis, DebtWave and the SDFLC will work tirelessly to enhance peoples’ financial IQ so that they can become financially fit and debt-free.



BOARD OF DIRECTORS

DEBTWAVE CREDIT COUNSELING, INC.

Antony Murigu
Chairman Emeritus
Triple Three, Inc.

Michael Butsko
Vice-President and Treasurer
Investment Officer, Wells Fargo Advisors

Douglas Tokarik
Secretary
Chief Operation, Go Motion, Inc.

BOARD OF ADVISORS

SAN DIEGO FINANCIAL LITERACY CENTER

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CFO
Libre Technologies, Inc.

Sharon Glassey
Partner
Glassey Smith Consumer Attorney

Andy Guzenski
Area Vice President
Gallagher Levine Insurance Company

Jeff Johnson, (USMC ret.)
Owner
Aeon Computing, Inc.

Antony Murigu
President
Triple Three, Inc.

Barry White, (USN ret.)
Director
Navy Marine Corps Relief Society Naval Base
San Diego

Rich Whitworth
Managing Director
First Allied Securities

Scott Yates
Vice President/ Branch Manager
Silvergate Bank

KEY PERSONNEL

Michelle Blackburn
Director of Human Resources

Mike Marsden
Director of Operations

Brad Pagano
Director of Community Development and
Managing Director

Chase Peckham
Director of Community Outreach

Carlos Perez
Director of Counseling Services

EVENTS CALENDAR

2014

SDFLC Relaunch Event

February 26, 2014

2nd Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

June 27, 2014

Kaplan College, San Diego, CA

1st Annual Boost For Our Heroes Golf Classic

August 25, 2014

Del Mar Country Club

3rd Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

September 26, 2014

Kaplan College, Vista, CA

Manage Your Money Week

October 18-25, 2014

4th Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

December 19, 2014

SDFLC Office

2015

1st Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

March 27, 2015

2nd Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

June 26, 2015

2nd Annual Boost For Our Heroes Golf Classic

August 24, 2015

San Diego Country Club

3rd Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

September 25, 2015

Manage Your Money Week

October 17-24, 2015

4th Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

December 18, 2015

Live Well and Boost Campaigns

May and November 2015



The relaunch of the SDFLC on February 26, 2014



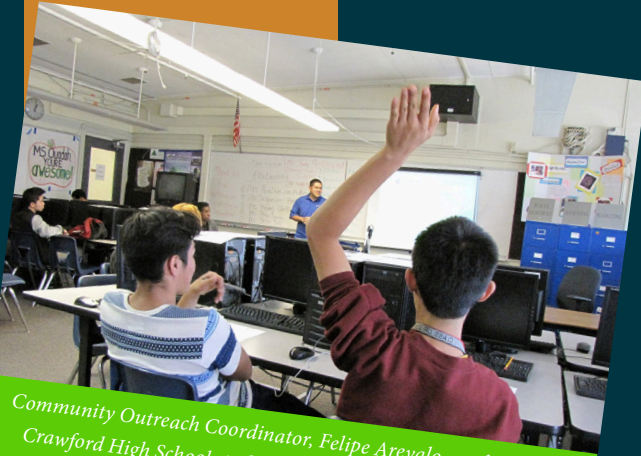
Members of the Marine Corps next to players at our 1st Annual Boost For Our Heroes Golf Classic

WAVE OF THE FUTURE

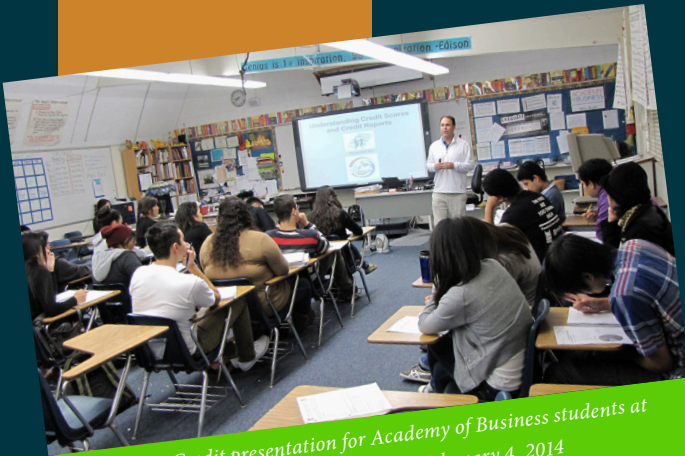
Wave of the Future is SDFLC's financial education program designed to further educate our next generation about the nuances of credit, debt, budgeting, and how to become financially responsible adults. By preparing our youth population for their financial future via online tools, workbooks, and digital resources, we are able to help shape the financial habits that they will need to be successful. The utilization of interactive workshops, games, and the introduction of real-life financial scenarios further prepare our youth constituents to become and stay financially fit.

The Wave of the Future program topics include: proper use of credit, introduction to credit and lending, creating a spending plan (budget), understanding credit reports and scores, how to read and understand financial documents, the basics of saving, and a life-skills module on what to expect after high school.

Current partners of the Wave of the Future program include: San Diego Unified School District, San Diego Community College District, Clairemont High School Academy of Business, Southwestern College, Palomar College, and more. Our 2014 event calendar was highlighted by working with the Umoja program of Grossmont College at the scenic Mission Trails Regional Park Community Center, a program that targets underrepresented students in San Diego County.



Community Outreach Coordinator, Felipe Arevalo, working with Crawford High School students on Introduction to Credit and Lending presentation on January 22, 2014



Building Credit presentation for Academy of Business students at Clairemont High School on February 4, 2014



Chase Peckham with Umoja students and instructor, James Canady, on May 9, 2014

WAVE OF THE FUTURE



Money Management workshop at Mira Costa College, San Elijo Campus on April 4, 2014



End of the workshop class picture at Mira Costa College

2014 STATISTICS ABOUT ATTENDEES

- Number of High School workshops – 36 with total attendees of 1,040
- Number of Higher Education workshops – 106 with total attendees of 3,364
- Number of attendees at Smart With Your Money outreach events – 12,443
- 47% are between 14 and 18 years old
- 53% are between 18 and 24 years old
- 50% are male and 50% are female
- 70% of the attendees felt strongly that presentations were useful and informative
- 96% agree that the information provided was easy to understand
- 98% agree that the presenter was knowledgeable about the topics discussed
- 96% agree that the information would help them with future financial decisions

SOME OF OUR EDUCATIONAL PARTNERS



For a list of all partners, visit www.sdfc.org

BOOST FOR OUR HEROES

SOME OF OUR MILITARY PARTNERS



For a list of all partners, visit www.sdfc.org



Boost For Our Heroes is a comprehensive program geared towards active duty, transitioning, and veteran military members that provides them with financial education and assistance. Working with community and collaborative partners, such as Navy Marine Corp Relief Society, Fleet and Family Support Centers, and Support the Enlisted Project (STEP), the SDFLC provides clear, concise, and non-duplicative personal finance education via workshops, seminars, and one-on-one consultations.

In 2014, the SDFLC conducted forty workshops including: Understanding VA Home Loans, First Time Home Buyers, Financial Management, Debt Management, Understanding Your Credit Report and Score, Conquering Your Credit, and more. By working directly with our military members and helping them reach self-sufficiency, we are helping to break the cycle of financial mismanagement that currently plagues our military.

2014 STATISTICS ABOUT OUR ARMED FORCES MEMBERS

- Over 1/3 of all military families have difficulties covering expenses.
- Over half of all enlisted personnel have engaged in credit card debt mismanagement.
- Transition into civilian life can lead to long periods of underemployment.
- There is an overall lack of financial education based on environment and experience.
- There is a general mismanagement of money – living paycheck to paycheck.
- There is a stigma faced by admitting that you may need help.

BOOST FOR OUR HEROES

Because of these statistics, the Boost For Our Heroes program also provides a quarterly award of \$3,000 to a military member or military family. Each quarter, an impartial panel will select one constituent due to financial hardship and develop an integrated financial plan. In 2014, the SDFLC gave \$12,000 to four service members (active and veteran).



First Quarter Boost For Our Heroes awardee, ENS Thomas Baker, U.S. Navy, on January 26, 2014



Second Quarter Boost For Our Heroes awardee, Shanice Jones, U.S. Navy, on June 27, 2014



Third Quarter Boost For Our Heroes awardee, Stephanie Rodriguez, AM2, U.S. Navy, on September 26, 2014



Fourth Quarter Boost For Our Heroes awardee, Derrick Torrance, U.S. Marine (Retired), on December 16, 2014

2014 DATA

- Worked with 6,441 military personnel via workshops and events
- Provided over 200 individual counseling sessions
- Saw an average decrease in debt by almost 10%
- Almost half of constituents developed or began their savings plan

CREDIT COUNSELING STATISTICS AND FEEDBACK

- The total number of clients that enrolled onto our Debt Management Program (DMP) in 2014 increased 12% year over year.
- The average total credit card debt for enrollees increased more than 7% from 2013.
- Client's average payment decreased nearly 15% on the DMP.
- Client's average monthly savings from reduced interest rates was \$130.
- Client's average monthly interest rate decreased more than 50% in 2014 when joining our DMP.
- The average FICO score for clients that completed their DMP in 2014 was 712, a 6% increase from those who completed their DMP in 2013.

	2013	2014
New Consumer Inquiries	30,835	36,125
Clients Counseled	4,102	4,179
Clients Enrolled onto DMP	1,727	1,948
Total Credit Card Debt	\$15,738	\$16,889
Average Payment Prior to DMP	\$488	\$487
Average Payment on DMP	\$408	\$416
Average Interest Rate Prior to DMP	18.70%	18.37%
Average Interest Rate on DMP	9.00%	9.11%
Average Number of Credit Cards	4.70	4.85
Average FICO Score Prior to DMP	561	603
Average FICO Score After DMP	670	712
Debt Management Program Graduates	2,264	2,420
Average Age	45.52	44.85
Average Annual Household Income	\$58,536	\$56,664

DebtWave continues to receive positive feedback from active Debt Management Program clients through our annual online survey. Out of the total 446 surveys received in 2014, the overall satisfaction rate was 97.30%.

Our certified credit counselors maintain excellence and high standards by completing rigorous training as well as continuing education modules. We are happy to offer our clients services in both English and Spanish and have found that over 97% of all clients would refer us to a friend for their debt management and financial education needs.

SOME OF OUR PROGRAM SUPPORTERS



EMPLOYEE OF THE YEAR



One of our greatest assets is our employees. Each year, we choose an employee of the year that best exemplifies the values that permeate the culture of DebtWave. Hard work, dedication, honesty, perseverance, and a willingness to assist whenever and wherever needed are just some of the qualities that are exuded by our 2014 winner, Denisse Gutierrez. Denisse combines these traits along with a professional demeanor that is respectful and considerate. She is a conscientious leader who lets her actions speak louder than her words.

Denisse joined the team in June of 2012 and brought with her a tremendous attitude and willingness to learn and grow. Her potential is limitless as she has, in a brief time, excelled in many roles. Starting as a certified credit counselor where she provided top-tier counseling to her clients via her genuine and articulate nature, she also exhibited the one trait that made her one of the best counselors at DebtWave – being an active listener. Promoted to Counseling Manager, Denisse continues to lead our team of experienced counselors on a day-to-day basis, and her leadership skills have helped in the thousands of free counseling sessions offered. Additionally, Denisse has been an integral part of the team to implement our student loan consolidation program as well. These diverse roles require Denisse to constantly maintain the utmost professionalism, stay abreast of current training methodologies, and challenge her staff to be their best and perform at the highest levels.

We are lucky to have Denisse as part of our management team and are proud of her accomplishments thus far. Congratulations Denisse!



CLIENT TESTIMONIALS

DEBTWAVE CREDIT COUNSELING, INC.

“My experience with DebtWave has changed my life! Everyone there has been kind, thorough, and wonderful! It was so easy for the company to go through my debt history and figure out the best way for me to get out of it!! They have taken years of stress off my back and given me a light at the end of the tunnel and a way out. I feel a great amount of trust with this company!!”

– Michelle

“DebtWave is a fantastic organization that made a difficult process simple. They were very responsive and handled my account with the utmost respect. They make getting out of debt easy!”

– Ryan

“DebtWave showed me the light at the end of the tunnel. They consolidated my credit card debt at an affordable monthly rate and I will have it paid off over a four-year period rather than thirty!”

– Eric

SAN DIEGO FINANCIAL LITERACY CENTER

“I had at least five students stay after class today telling me how fun your presentation was and how much they learned! They loved it! Thank you.”

– Stephanie, Associate Counselor/
Professor at [MiraCosta College](#)

“I want to thank you for taking your time to educate our command personnel with a magnificent presentation. It was great to have an expert of your caliber to educate on Personal Financial Management (PFM). I specifically admired your confidence, instructor technique, and the way that you presented the topic in front of us...”

– LSC (SW/AW) Rodel, USN from [ATG San Diego](#)

“I have had the pleasure of working with the San Diego Financial Literacy Center for a little over seven months now, and I have been impressed with the organization’s commitment to helping individuals in financial distress learn to better manage their finances. Individuals can benefit greatly from the SDFLC’s programs, which is why we have partnered with the organization. Now, due to the SDFLC, we are able to do even more for service members and their families...”

– Jack, Executive Director at [Operation Homefront – California](#)

CORPORATE DONORS

\$5,000 - \$9,999	Beck Steel Everbank On Budget Student Loan Assistance Center
\$2,500 - \$4,999	The Patio Restaurant Group REIG Silvergate Bank Student Loan Services
\$1,000 - \$2,499	BIOCOM Purchasing Group Chugach FedCom Technologies Lower My Bills NetSuite Pacific Debt Primary Funding Corporation Sure Ascent Veterans United
\$250 - \$999	Cox Foundation Glassey Smith Go Motion

INDIVIDUAL DONORS

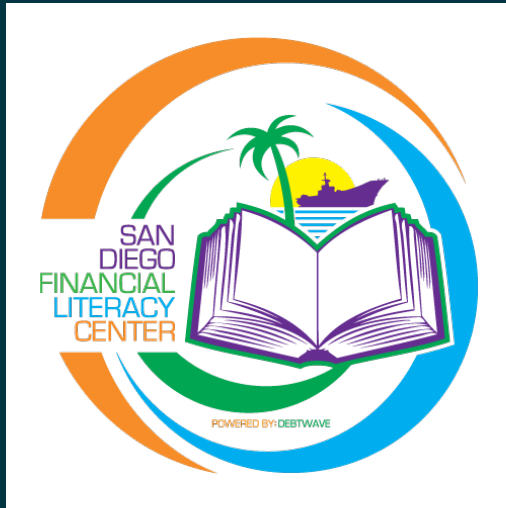
\$7,500+	Randy Rivera
\$5,000 - \$7,499	Anonymous Gary and Lisa Levine
\$2,500 - \$4,999	Wessal Khader
\$1,500 - \$2,499	Michael Butsko Antony Murigu Doug Tokarik
\$500 - \$1,499	William Lynch Bradley and Sara Pagano Jason Severson
\$100 - \$499	David Alemian Brian Blackburn Michelle Blackburn Randy Blackburn Sarah Davis Andrew Guzenski John Hardy Michael Mallot Mike Marsden Chase and Keri Peckham Jeffrey Smithson Scott Yates Sean Yates James White
\$10 - \$99	Felipe Arevalo Damon Ayers Chad Baker Eric Caballero Jennifer Calhoun John Casarietti George Davis and Noel Wheeler Mark Gregory Denisse Gutierrez Mike Hymes Holly and John Kennedy Shannon Matwiyoff Ted Parkman Carlos Perez Richard Whitworth Stephen Woodcock

STATEMENT OF FINANCIAL ACTIVITIES

ASSETS	2014	2013
Current Assets		
• Cash – Unrestricted	\$379,943	\$332,775
• Client Trust Funds – Restricted	\$94,251	\$55,982
• Accrued Income	\$20,411	\$31,097
• Prepaid Expenses	\$14,346	\$42,762
Total Current Assets	\$508,951	\$462,616
Fixed Assets	\$51,922	\$77,658
Other Assets	\$50,914	\$54,270
Total Assets	\$611,787	\$594,544

LIABILITIES AND NET ASSETS	2014	2013
Current Liabilities		
• Accounts Payable	\$17,360	\$47,111
• Accrued Expenses	\$33,386	\$93,672
• Client Creditor Payables	\$94,251	\$55,982
Total Current Liabilities	\$144,997	\$196,765
Net Assets		
• Unrestricted	\$466,790	\$397,779
Total Liabilities and Net Assets	\$611,787	\$594,544

UNRESTRICTED NET ASSETS	2014	2013
Revenue, Gains, and Other Support		
• Service Fee Revenue	\$1,794,659	\$1,840,953
• First Pay Revenue	\$102,038	\$88,973
• Fairshare	\$729,745	\$900,389
• Grant Income	\$699,687	\$647,762
• Other Income	\$40	\$930
Total Revenue, Gains and Other Support	\$3,296,469	\$3,478,980
• Less Service Fee Refunds	\$0	-\$12,207
Total Revenue, Gains, and Other Support (Net)	\$3,296,469	\$3,466,773
Expenses		
• Client Services	\$84,355	\$86,978
• Program/ Education/ Marketing Expenses	\$130,218	\$80,052
• Management and General	\$2,920,966	\$3,611,913
• Fundraising and Volunteer Recruitment	\$91,919	\$21,346
Total Expenses	\$3,227,458	\$3,800,289
Increase in Unrestricted Net Assets	\$69,011	-\$333,516



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