

Portfolio Update

MoneyThink

Presented by The USIT Foundation in Spring '23

Originally Presented in Spring '22

Charity Summary | Donation Thesis | Theory of Change

Charity Summary

- MoneyThink is a charity that provides coaching to students in low-income school districts to decrease long-term education-based debt
 - The main program is a free college affordability comparison tool named DecidedED that quickly and accurately assesses financial aid/award letters, compares the affordability of a student's options, and assists the student in developing a plan to pay for school

Donation Thesis

- MoneyThink deserves a repeat donation from the USIT Foundation because it will allow them to continue to increase maximum student capacity while developing more features to improve DecidedED. There are two funding shortfalls that a new donation is needed for:
 - First, to create new partnerships with other organizations and advisors to build student capacity while reaching new student populations
 - Second, to develop new features that display projected earnings/outcomes for students which results in even more resources for students to plan their financial future

Theory of Change

- MoneyThink has three central impacts that result from DecidedED and their work
 - Empower students by giving them the resources to succeed in college without financial burden (achieved by further improvement and feature development within DecidedED)
 - Enabled ecosystems where advisors are armed with the tools needed to provide targeted affordability guidance (achieved by getting more partnerships and improving their onboarding process)
 - Diversify classrooms by increasing enrollment and graduation rates for low-income and first-gen college students (achieved by continuing to increase student capacity and outreach)

Charity Updates & Forward Trajectory

Notable Highlights

- In 2022, MoneyThink rapidly increased student reach, increased partnerships, created an Application Programming Interface (API), and lowered unit costs
 - Student reach grew from ~1500 to 5548 with students from over 40 states (269.87% increase)
 - Number of partnerships with other organizations grew from 26 to 62 (138.47% increase)
 - Created an API that was brought to market a few months before the end of 2022, signed a few enterprise partners
 - Lowered cost per student for DecidedED from 55 dollars per student to 30 dollars per student (45.45% decrease)
 - Established key student metrics to measure moving forward for DecidedED¹

Previous Donation and Recent Growth

- MoneyThink used the previous USIT Foundation donation for entirely programming expenses
 - 50% going towards obtaining 36 new partners in order to build student capacity and outreach²
 - 50% going towards new feature development (specifically expanding and deepening student guides to make tool more intuitive)
- MoneyThink was able to grow rapidly in the past two years (2020 and 2021) due to significant grants from major institutional funders
 - Received grants from The Bill and Melinda Gates Foundation, The Michael and Susan Dell Foundation, Capital One Foundation, Fidelity Foundation, and Prudential Foundation³
 - These grants were leveraged to accelerate DecidedED's build, launch, and deployment

Charity Updates & Forward Trajectory

Future Plans (Goals for EOY and Academic Year 2023-2024)

- MoneyThink has clear, achievable goals for the immediate future
 - Aiming to reach 10,000 students by the beginning of fall of 2024 (80.25% increase from current 5548 students)
 - Aiming to sign 50 more partners by the end of this year (already has signed 34 new partners this year resulting in projected 135.48% increase from current 62 partners)
 - Aiming to reduce unit cost for Decided from current 30 dollars per student to 8-10 dollars per student (66.66% to 73.33% decrease)

Future Plans (Use of Another USIT Foundation Donation)

- MoneyThink could use another USIT Foundation donation for entirely programming expenses once again
 - Aim to leverage what they've done with previous donation and continue building partnerships with more organizations
 - More partnerships means more student capacity/outreach and closer to reaching 10k student goal
 - Develop a new feature to capture data on graduation rates and average salary after graduation to provide more information to students
 - Feature development improves quality of life for students making college decisions based off Decided
 - Students with better features will be more likely to use Moneythink for education and spread the word on the app

Unit Economics

KPI	2019	2020	2021	2022	2023
Revenues	\$699,762	\$1,484,808	\$2,606,956		
Expenses	\$790,516 - program \$73,908 - admin \$154,468 - fundraising	\$590,304 - program \$47,190 - admin \$127,947 - fundraising	\$986,505 - program \$112,836 - for admin \$206,174 - for fundraising	Not provided (past two years have seen rapid growth but admin unsure if large grants from nonprofit foundations will continue)	
Participants ²	Not provided (data for virtual coaching model instead of current DecidedED program)		~1500	5548	~10000
Average Cost per Participant ^{3 4}	\$815	\$815	\$55	\$30	\$8-10
Number of Partnerships	3	8	26	62	146
Other Commentary / Timeline of Operations	Note - Number of participants is for academic year	Launched DecidedED and removed Virtual Coaching		Spring 2022 is end of first cohort using DecidedED	Projected based on goals of board

Note on Moneythink’s Data Collection:

- DecidedED is still a new program and past metric measurement is not readily available - currently, management does not have past data on any other KPIs for the program
- Charity management shows interest in metric tracking moving forward with detailed data available for 2022-2023 cohort¹
- Impact metrics measured for 2022 and onwards includes the rate of students borrowing loans compared to their national peers (all other metrics being measured are outcome-based like number of college applications submitted overall)

Appendix

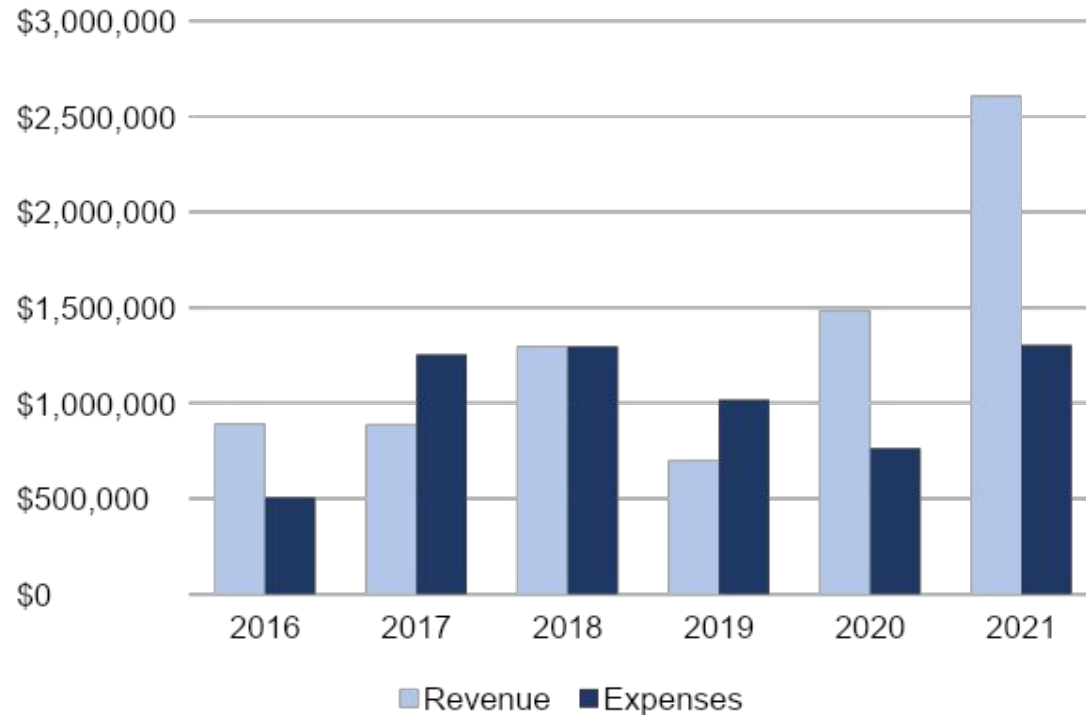
Relevant Links

- 2023 relevant links
 - Call Notes
 - Impact Report
 - ProPublica
 - Charity Navigator
 - Guidestar
 - 2021 Form 990
- Original relevant links
 - Website
- Existing Decks
 - MoneyThink Original Presentation

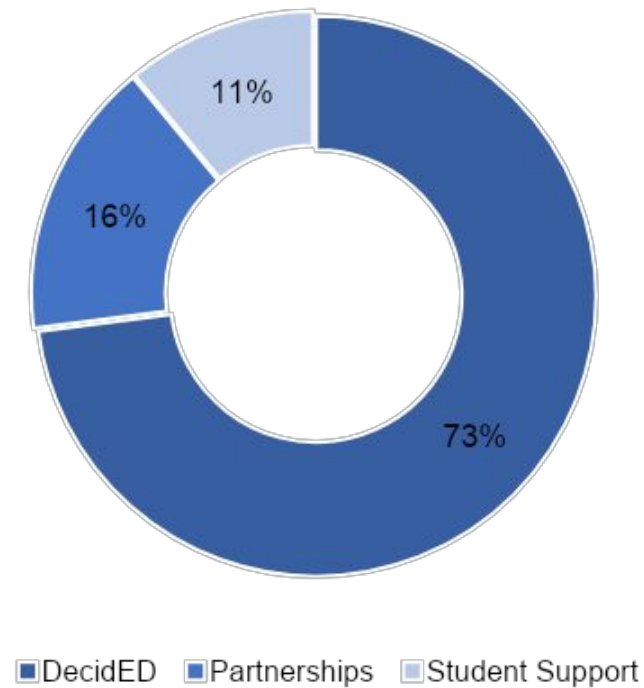
Rapidly growing revenue sources hold potential for massive growth in the immediate future

Revenues and Expenses over Time 2021 Program Budget Breakdown

Revenues and Expenses Over Time



[2021] Program Budget Breakdown



Prior Engagement & Analyst Verdict

- MoneyThink utilized PIT's donation to expand/deepen their user guides for DecidED and increase capacity by partnering with more organizations
- MoneyThink increased student reach by fivefold, created and shipped their API, doubled their number of partnerships, and reduced unit costs to \$50 per student
- MoneyThink aims to reach twice as many students in the next academic year, get 50 more partners by end of 2023, develop more features for DecidED, and reduce unit cost to \$8-10 per student

Contact History

- Dinesh had call with Joshua Lachs (CEO) on 3/16/23
- Received supplementary information on 3/17/23

Analyst Verdict:

MoneyThink deserves a donation focused on further partnership development because most of their current funding focuses exclusively on the development of DecidED. By funding more partnerships for MoneyThink, the USIT Foundation can grow MoneyThink's student capacity and increase the number of students involved in the upcoming academic year's cohort.

For the reasons above, a donation from the USIT Foundation can facilitate the acceleration of MoneyThink's growth and impact.

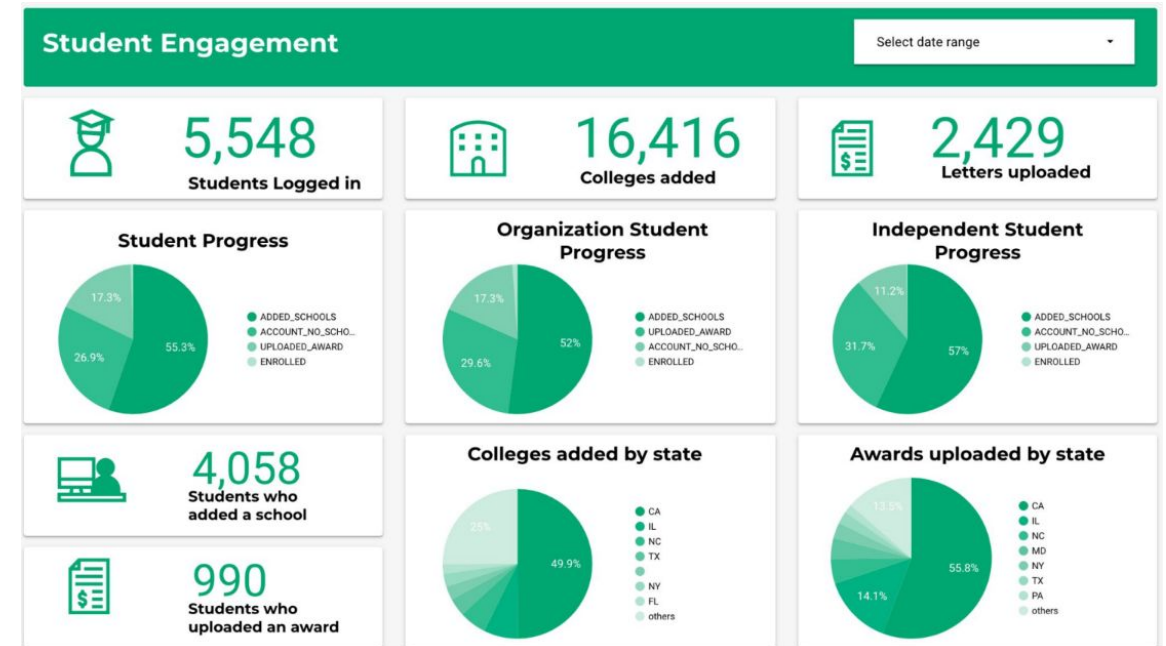
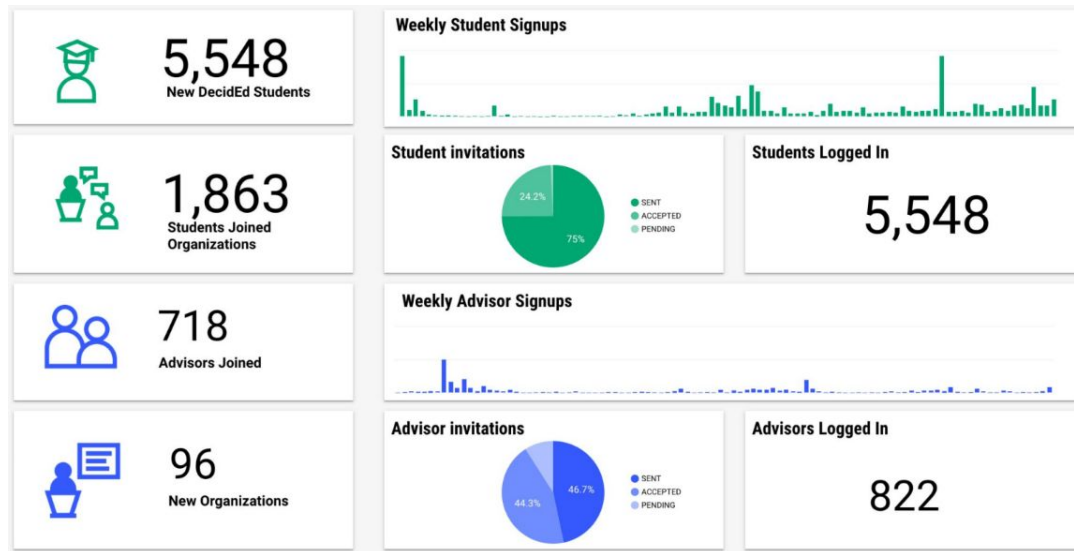
List of Key Student Metrics for DecidED Tool

- Number of college applications submitted overall
- Number of students applying to safety, target, and reach schools
- Number of students uploading financial aid offer letters
- Number of financial aid offer letters uploaded
- Number of students enrolled in a MoneyThink recommended affordable, somewhat affordable, and not affordable school
- Rate of students borrowing loans compared to their national peers

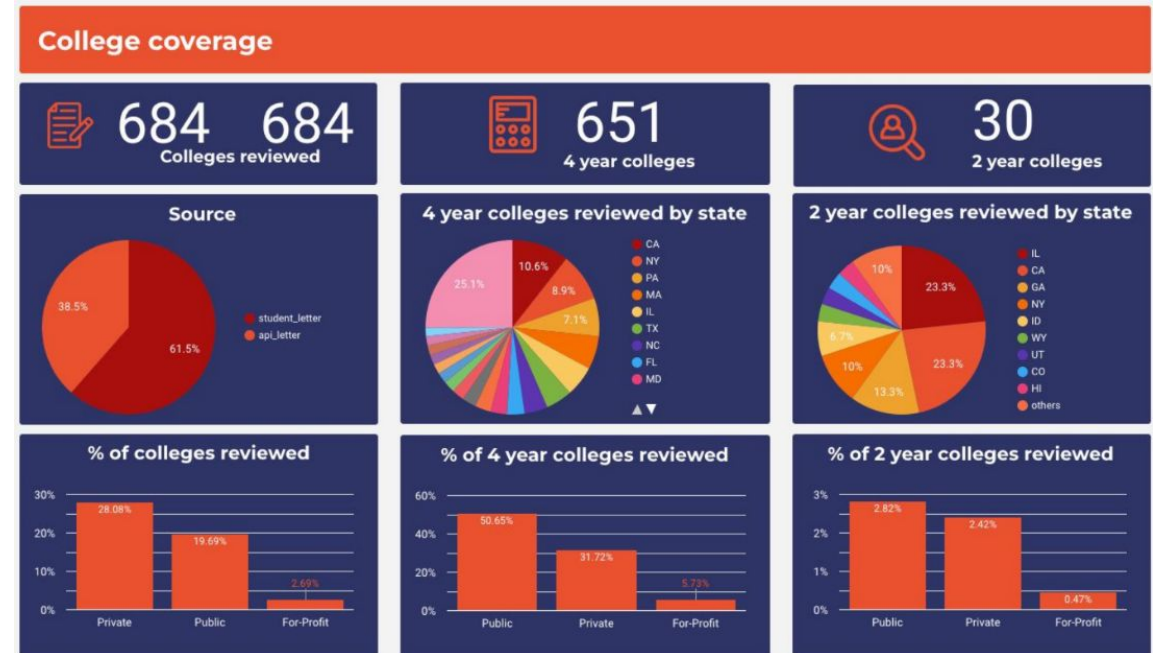
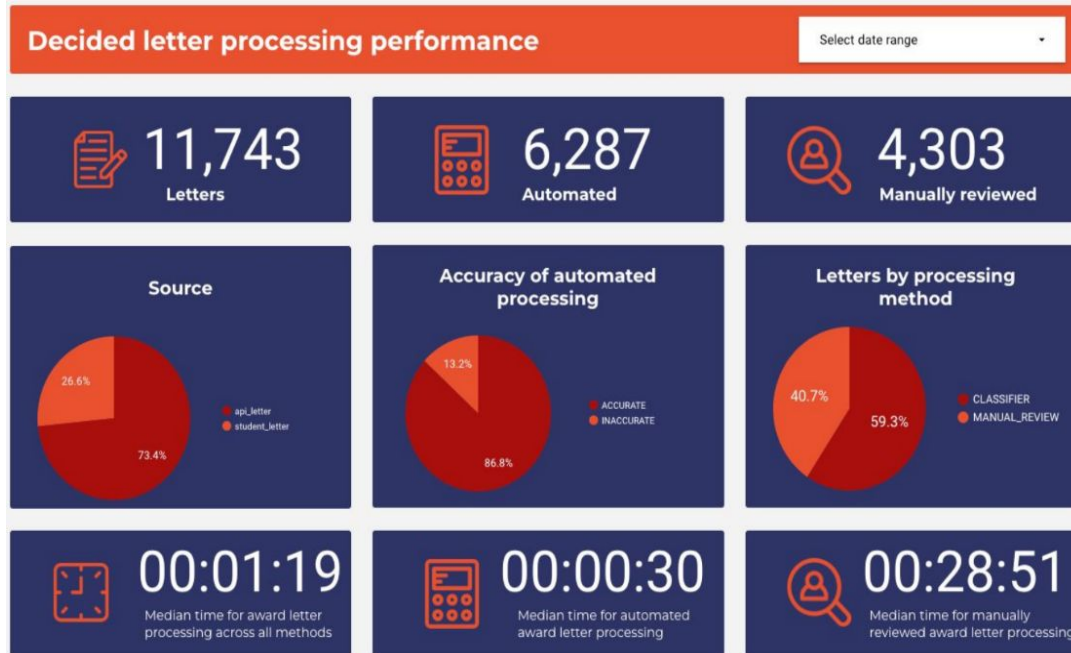
Proposed

- FAFSA completion %
- Proportion of students coming from partnerships
- Proportion of students graduating college (maybe gathering information from students who have dropped out on why they did so)

Impact Report Data



Impact Report Data



Partners



Making college cost and financial information transparent.

Our DecidED tool has transformed the way these partners:

- ❑ Access **integratable data** at individual and program wide level for reports and insights on where students are in their college matriculation journeys.
- ❑ **Have timely, relevant conversations** that truly inform students' post-secondary options, de-risk stopout, and prioritize students with the greatest need.
- ❑ **Deepen support** on college enrollment decisions and finances.
- ❑ **Save hundreds of hours** on administrative data collection, freeing up time for direct student support and engagement



Ecosystem Capacity building

We've helped 96 organizations and 800+ individual college success advisors across the country increase their financial aid and college affordability knowledge + practices, providing them with:

- ❑ Financial aid and college cost workshops
- ❑ "Train the Trainer" college financing and affordability models
- ❑ Student-advisor planning meetings and trainings
- ❑ Student- and parent-facing workshops and coaching
- ❑ Data gathering, reporting, and analysis



We've built our solutions with leading behavioral design and analytics firms.



The USIT Foundation

usitfoundation.org | texasusit.org

History

The Philanthropy Investment Team was formed in Spring 2020 at The University of Texas at Austin by request of the University Securities Investment Team (USIT) Foundation and Alumni Network, which wished to establish a partnership with the student organization to source charitable investment opportunities.

This fund generates ideas and performs diligence on charities that merit a donation with a value investing framework. Through the primary and secondary research of undergraduate Analysts, the Philanthropy Investment Team is developing a model of impact measurement, both for initial investment diligence and subsequent staged donations. Its funds are replenished yearly, comprising 1% of the total Annual Gross Income of the Alumni Network.

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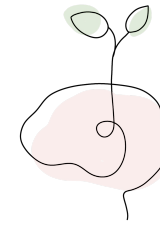
About the USIT Foundation

The USIT Foundation is the 501(c)(3) parent organization of the University Securities Investment Team, the largest student-run investment fund at The University of Texas at Austin. Comprised of alumni who started their investing journeys with the team, the USIT Foundation works closely with student leadership in the contexts of investing, data science, and philanthropy.

The USIT Foundation supports and advises the USIT student organization and marshals and engages its alumni to promote personal and professional growth through active charitable giving. In Spring 2020, the alumni of the USIT Foundation initiated a philanthropic Giving Pledge to commit time and resources to better our communities.

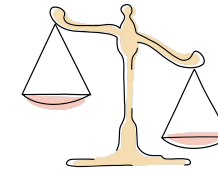
Philosophy and Approach

The USIT Foundation is committed to evidence-based philanthropy and continuously builds upon a model of effective, responsible capital deployment. In its months-long competitive annual process, the Foundation identifies and performs deep diligence, including client testimonials, data room modeling, and impact stress testing, on charities. In the 2022-23 academic year, the Foundation plans to provide \$100,000 in donations to several charities that operate within the three observed impact verticals, with the initial donation opening the door for years-long engagement and follow-on investments.



Education

Ensuring that students of all ages receive high-quality, equitable education while community members are properly supported.



Justice & Opportunity

Breaking down systemic barriers to assist the reentry transition and reduce nationwide recidivism.



Climate Change

Reducing emissions and waste to invest in a cleaner planet and higher quality of life for communities.