



Building an AFI IDA Program for Your Organization



Assets for Independence
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services

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Assets for Independence

Special federally funded 5-year grants to organizations that enable accountholders to ...

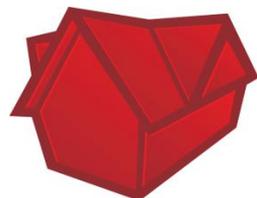
- **Learn** about financial and consumer issues
- **Save** in Individual Development Accounts

In order to ...

- Become more self-sufficient and plan for the future
- Invest in an asset

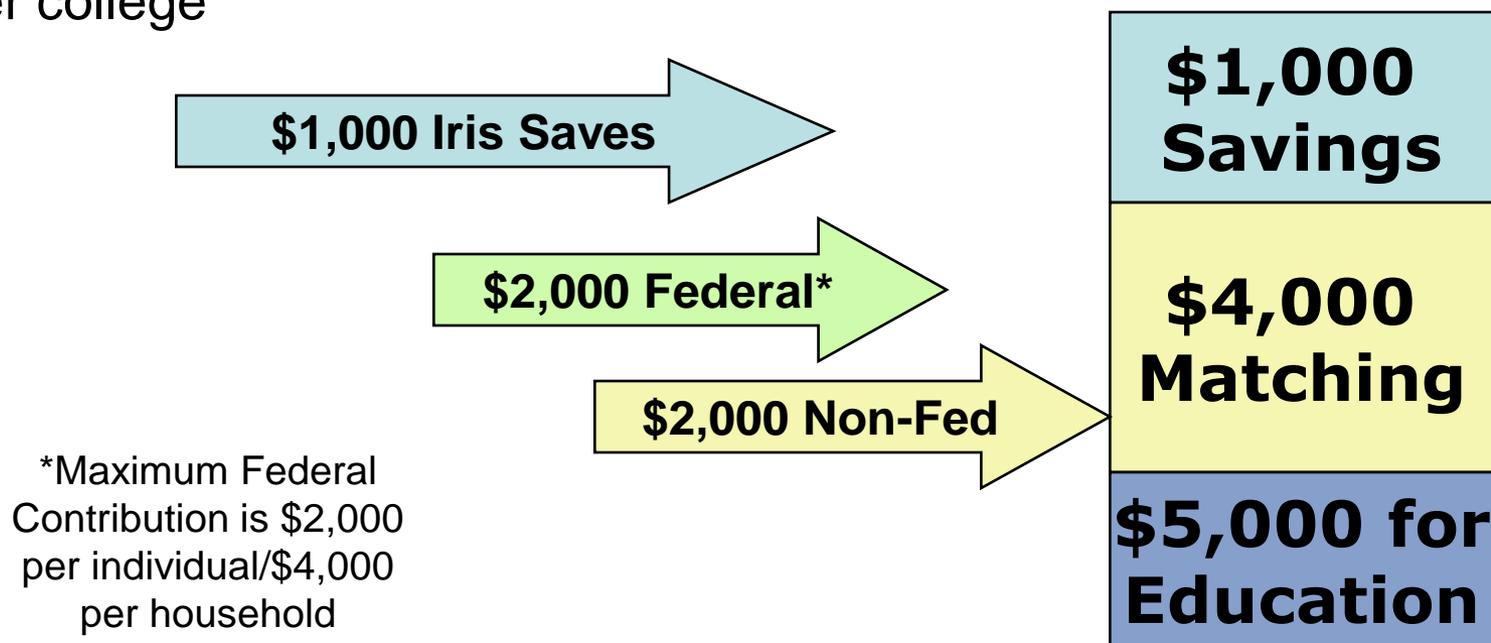
Common in all AFI IDA programs

- Financial education & asset-specific training
- Save earned income
- Purchase an asset
 - First home
 - Higher education or training
 - Small business
 - Transfer to a dependent



Meet IDA Saver “Iris”

- Iris opens an IDA to help pay for college
- Match rate of \$4 for every \$1 saved in her IDA
- Iris saves \$1,000 -- \$41.67/month over 2 years
- She takes courses in financial education from a local non-profit and works with financial aid counselors and academic advisors at her college



AFI Projects

- More than 350 organizations throughout the nation
 - 501(c)(3) non-profits
 - State, local, and tribal government agencies
 - Community Development Financial Institutions
 - Low-income designated credit unions
 - Consortia of organizations and agencies that target multiple service areas (network projects)
- Locate a project near you:
<http://IDAresources.org/AFIgrantees>





Key Topics for Planning an AFI IDA Project

How's the Fit?

- For your organization?
 - Does it support your mission?
- For your target population?
 - What's the need for asset building in my community or among those I plan to serve?
 - What's the interest?
 - What's the potential for some number to participate, complete the process, and purchase an asset?

Allowable Uses of AFI IDA Funds

- Home: costs of acquiring, constructing, or reconstructing a residence, including reasonable settlement, financing, or other closing costs
 - Education: tuition and fees, books, supplies, and equipment required to attend or for courses at an eligible educational institution
 - Small business: any business expense included in the approved business plan, such as capital, plant, equipment, working capital, and inventory
- *All funds are paid directly to the 3rd party vendor (i.e., educational institution, lender, closing company)*

Participant Eligibility

TANF eligible

OR

EITC eligible or annual household income less than twice poverty (about \$44,700 for family of four)

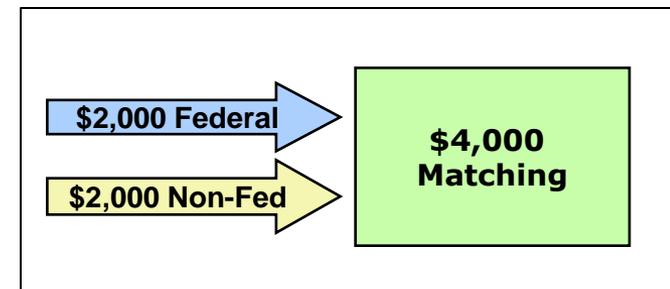
AND

Net worth less than \$10,000, excluding value of a residence and one motor vehicle per household.

- Determined at the household level
- Grantees may have additional requirements
- Need earned income for savings deposits

IDA Matching Structure

- IDA Savings Match Rates can range from:
 - \$1 match for \$1 earned income saved to
 - \$8 match for \$1 earned income saved
- Maximum amount participant can save and be matched may vary by asset goal
- Maximum Federal Contribution
 - \$2,000 per individual
 - \$4,000 per household
- Set up as *custodial* (jointly-owned) accounts at Federally-insured financial institution



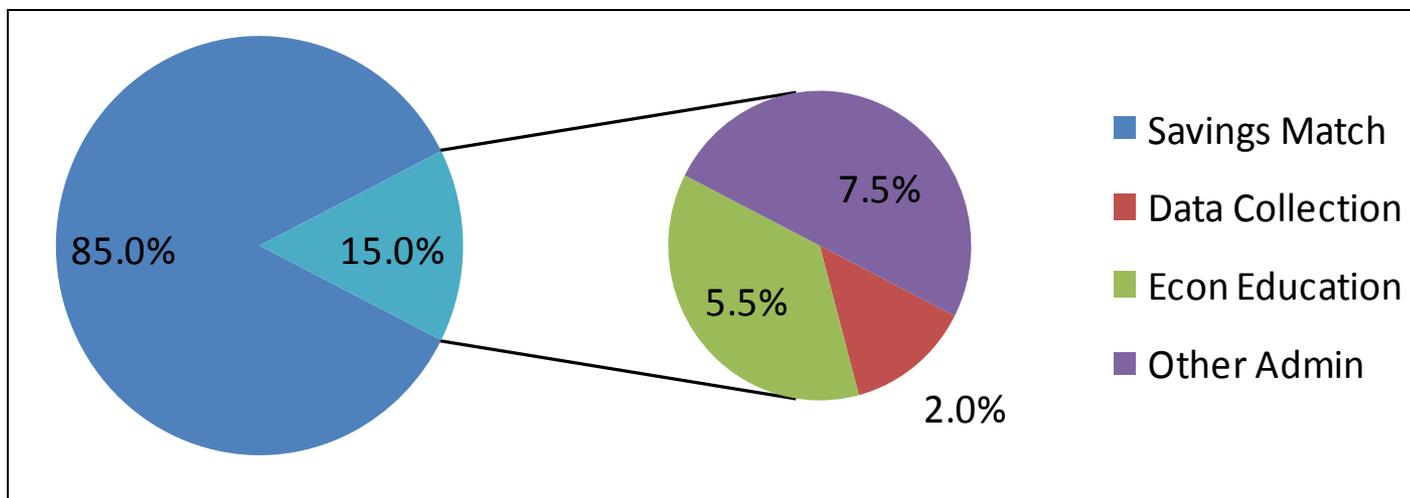
Funding

- Five-year project grants
- Must have firm commitments of cash support from nonfederal sources
- The commitments must be equal to or greater than the Federal grant amount requested



Uses of AFI Project Funds

- All AFI Project funds are held in a Project Reserve Fund.
- At least 85% set aside to match participant IDA savings
- A total of 15% can be spent on program operation costs.
 - 7.5% for overall administration and program specific activities.
 - 5.5% to cover costs of case management and trainings.
 - Another 2% set aside for costs associated with data collection and reporting.



Sources of Non-Federal Funds

- Financial institutions and their foundations
- State and local governments
- Tribal governments
- United Way
- Foundations (local, regional)
- State/Local tax credits
- Special needs funding opportunities (Mental Health, Youth Programs, Disability Programs, and other nonfederal funding streams that target specific populations)
- Locally-based corporations/employers
- Places of worship
- Individuals/online donations
- Sponsoring organization funds
- Federal Home Loan Banks
- Community Development Block Grants*
- Native American Funds*
*Specified allowable in their rules

Making the Business Case: http://www.idaresources.org/IDA_Fundraising

Staffing an IDA Project

<i>Management and Operations</i>	<i>Coordination and Participant Services</i>
<ul style="list-style-type: none"> • Establishing partnerships 	<ul style="list-style-type: none"> • Marketing development and implementation
<ul style="list-style-type: none"> • Overall program design 	<ul style="list-style-type: none"> • Recruitment and enrollment activities
<ul style="list-style-type: none"> • Setting program policy 	<ul style="list-style-type: none"> • Application documentation
<ul style="list-style-type: none"> • Regular financial, program and data reports for OCS 	<ul style="list-style-type: none"> • Account management (Reserve Account and participants' savings and match accumulation progress)
<ul style="list-style-type: none"> • Raising nonfederal cash contribution 	<ul style="list-style-type: none"> • Case management
<ul style="list-style-type: none"> • Setting budgets and accounting procedures 	<ul style="list-style-type: none"> • Financial and asset education
<ul style="list-style-type: none"> • Program oversight 	<ul style="list-style-type: none"> • Tracking progress toward benchmarks
<ul style="list-style-type: none"> • Public relations 	<ul style="list-style-type: none"> • Communications with participants, applicants, and partners
<ul style="list-style-type: none"> • Data entry and management 	
<ul style="list-style-type: none"> • Marketing and recruitment materials production 	
<ul style="list-style-type: none"> • Logistics for trainings and workshops 	

Partner Roles: Beyond Funding

- Partnerships are critical beyond project funding
- Partners can provide critical support for:
 - Recruitment
 - Financial education
 - Asset training
 - Credit counseling
 - EITC outreach and free tax assistance
 - Holding IDAs and Project Reserve Fund
 - Other services



AFI Supports Many Missions

Agency Type	Connection to AFI
<i>Community Action Agencies</i>	Participants linked to additional resources (tax refunds, matching funds, financial education), reduce crises
<i>Housing Authorities</i>	More neighborhood stability, homeownership, complement to Family Self-Sufficiency programs
<i>Local government, workforce development agencies</i>	Higher property taxes for municipalities, training pipeline complementing WIA resources
<i>Head Start agencies</i>	Goals include financial education, economic stability - Family Service Agreements: financial education, financial management, savings or other economic steps
<i>Tribal governments/ affiliated organizations</i>	Business development, postsecondary education, financial stability based on assets and knowledge
<i>Colleges and vocational schools</i>	Increased enrollment of target populations, motivated students, student retention
<i>United Ways, local/regional foundations</i>	Support Family Economic Success, long-term impact

AFI Applicant Webinar Series

Webinar 1: Planning an AFI Project	Webinar 2: Preparing a Successful Application	Webinar 3: Developing Resources and Partners
March 12	March 28	April 10
April 25	May 8	

Each webinar will be held at 2 p.m. EST.

For more information and to register:

<http://IDAresources.org/Calendar>

AFI Request for Proposals

- Next Application Due Dates:
 - March 25, 2013
 - May 24, 2013
- 2011-2013 Funding Opportunity Announcement:
www.IDAresources.org/Apply



AFI Resource Center Contact Information

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<http://www.acf.hhs.gov/assetbuilding/>