



Assets, Savings, Support, Education and Training
A Partnership to Encourage Asset Development

The ASSET Initiative and Assets for Independence (AFI)

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The ASSET Initiative

- Collaboration across ACF Programs to bring asset building tools & practice to ACF grantees and families served in programs.
- Incorporates lessons learned from Assets for Independence Demonstration Program and related research
- Families move past paycheck to paycheck existence, toward financial stability

What are Assets?

- Social capital (who you know)
- Human capital (what you know)
- Property, home, equipment, vehicle, land,
- Good credit report and score, access to credit
- Savings (3-6 month nest egg) to protect against loss of income
- Matched Savings (Individual Development Accounts)
 - First home
 - Higher education and training
 - Develop or expand small business

Financial Asset Building Tools

- Saving (3-6 month nest egg)
- Matched Savings (Individual Development Accounts, Children Savings Accounts)
- Financial Education (Budgeting, Banking, Credit...)
- VITA Site (Free Tax Preparation), Tax Credits
- Getting Banked
- Federal and State Benefits

Income and Asset Poverty

- Income Poverty:
 - 100% of poverty established in 1960s (Johnson Administration)
 - Asset Poverty:
 - Insufficient net worth to live at Federal poverty level for three months without income. Family of three (\$4,600)
- Use Income AND Asset Poverty to assess true picture of financial instability

Financial Assets Matter

- Move past paycheck to paycheck
 - Toward long-term financial stability
- Stronger, healthier families
- Enhanced self-esteem
- Long-term thinking and planning
- More community involvement
- Hope for the future



Current Population Focus

- Building Assets for Fathers and Families
- Financial Stability for Families with Young Children
- Native Americans
- Refugee Communities
- Support for People with Disabilities
- Asset-Building for Victims of Domestic Violence

And Cross- Cutting Components

- Effective Financial Education
- Earned Income Tax Credit Outreach

Assets for Independence (AFI) Program

A 5-Year Federal Grant Program

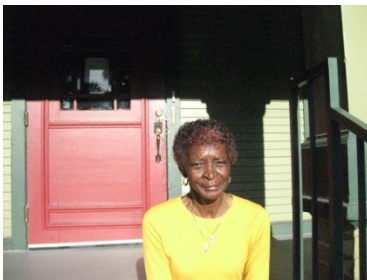


AFI Participants

- Learn about financial and consumer issues
- Save in IDA Accounts
- Purchase Financial Asset
 - First home
 - Higher education or training and/or
 - Small business

A Snapshot of AFI Participants

- 75,000 + IDA accounts and growing
- 80% of participants are women
- Many single parent households
- IDA is first savings account for most participants



AFI Projects

- 400 projects across the nation
(including 7 Native grantees and 8 Native sub-grantees)
- Projects partner with financial institution
- Projects located within multi-purpose non-profits
- State, local or Tribal governments
- Multi-site networks of organizations





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Grantee Perspective



Key Topics

- Project Funding – Federal and Non-Federal
- Project Reserve Fund
- Flexible IDA Savings Match Structure
- Participant Eligibility

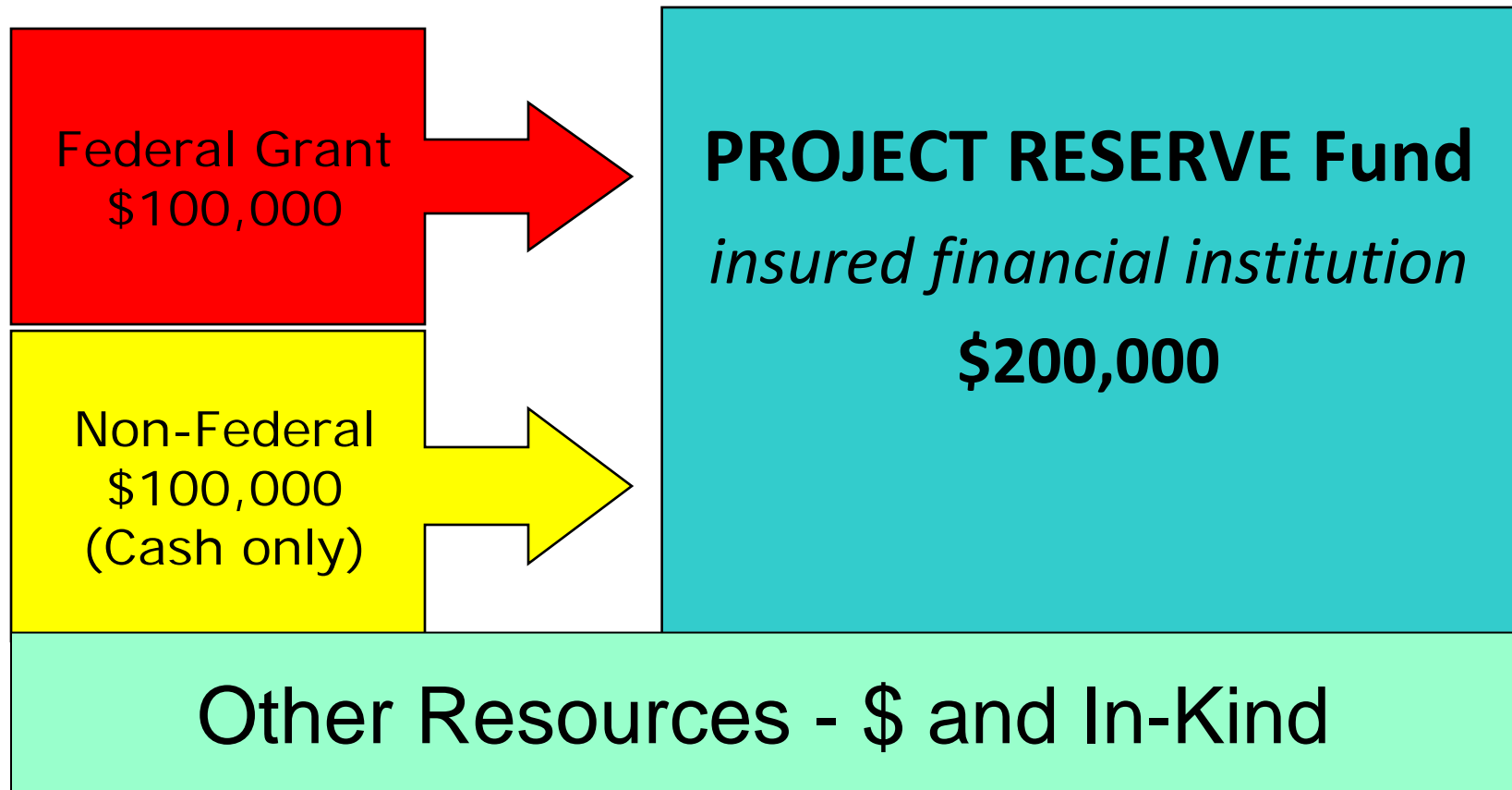


Project Funding



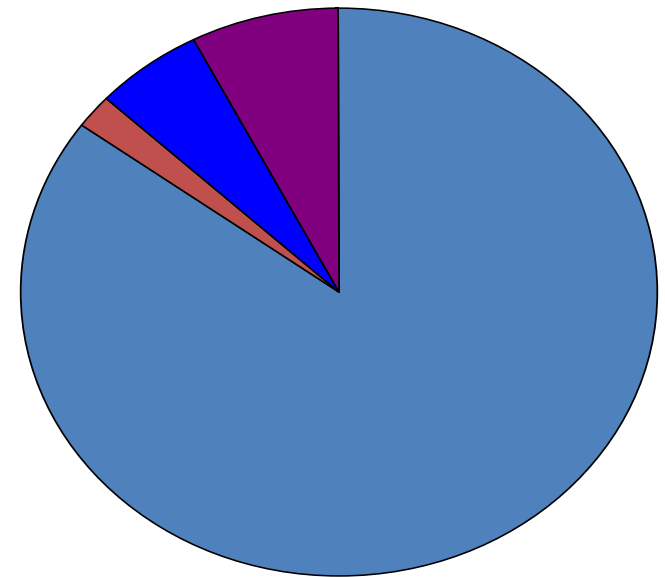
- Five Year project grants
- Non-Federal cash equal to or greater than the Federal grant amount
- Federal grant funds and non-federal cash are subject to program rules

Project Reserve Fund



Project Reserve Fund Uses

- At least 85% to match IDA savings
- Up to 13% for financial education and other activities
- At least 2% for data collection



■ Savings Match ■ Data Collection

■ Econ Education ■ Other Admin

Non-Federal Funding Source – Examples

- Financial institutions
- Foundations
- United Way organizations
- Corporations / Employers
- Faith-based organizations
- State, local and Tribal governments



Flexible IDA Savings Match Structure

- IDA Savings Match Rates can range from \$1 match for \$1 earned income saved to \$8 match for \$1 earned income saved
- Maximum Federal Contribution
 - \$2000 per individual
 - \$4000 per household



Participant Eligibility

- TANF-eligible in their state

OR

- Meet both of the following two criteria

Income: twice the poverty guidelines (about \$44,000 for family of four) OR EITC eligible

AND

Net worth: maximum \$10,000 (less one residence/one vehicle)

- Administrating agencies may apply additional eligibility rules



Examples of AFI Project Grantees

- Community Action Agencies
- Community Development Corporations
- Community Development Financial Institutions
- Credit Unions
- Faith-Based Organizations
- Tribal Governments
- Government Agencies
- Housing Finance Agencies
- State-Wide and Multi-State Associations
- United Way Organizations
- Workforce Development Agencies
- Youth Agencies



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Technical Assistance for new applicants

AFI Resource Center

info@IDAresources.org

1-866-778-6037

<http://www.IDAresources.org>



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Other Resources

AFI Funding Announcement:

<http://www.acf.hhs.gov/grants/open/foa/view/HHS-2011-ACF-OCS-EI-0137>

AFI Application:

<http://www.acf.hhs.gov/programs/ocs/afi/applying.html>

Current AFI Grantees: <http://idaresources.org/Map>

AFI Event Calendar: <http://idaresources.org/calendar>



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Thank you!

Questions?