



***“TOOLS FOR SUCCESS” WEBINAR SERIES
FOR ASSETS FOR INDEPENDENCE
GRANTEES***

**RED LIGHT, GREEN LIGHT:
Determining IDA Applicants’
Eligibility**

January 24, 2012

Connecting to Audio

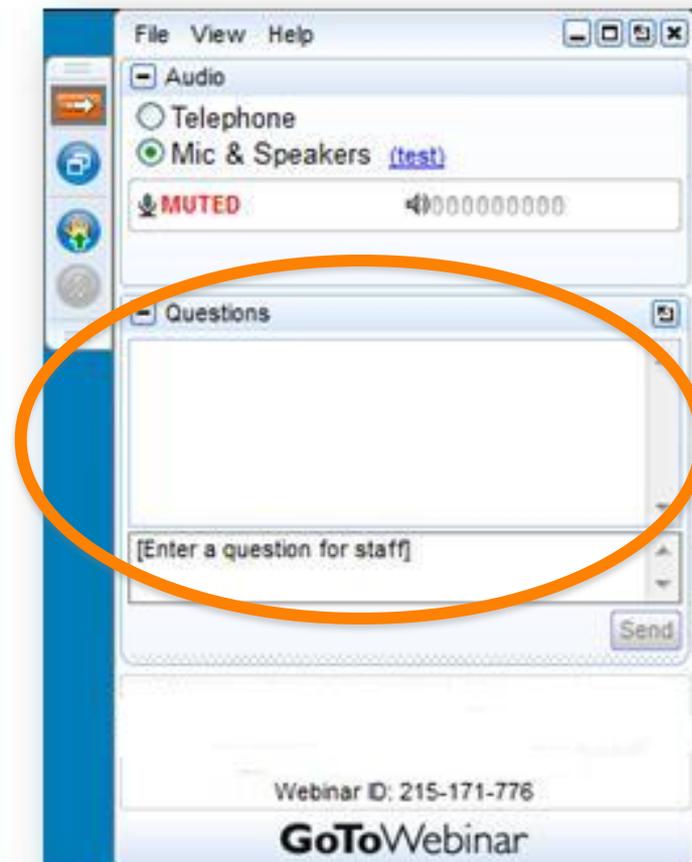
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Housekeeping

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Not an AFI grantee yet?

- Assets for Independence (AFI), which is administered through the Office of Community Services (OCS) at the U.S. Department of Health and Human Services, provides federal funding to community-based nonprofits and government agencies for Individual Development Accounts (IDAs).
- To learn more about applying, visit www.idaresources.org
- Upcoming Orientation Session:
 - AFI Program Overview and Grant Application Process (webinar)
 - Tuesday, January 31, 2:00 - 3:30 PM EST
 - Register at www.idaresources.org

Your Guest Speakers

- **Jermaine Burkhalter**

Program Specialist

Office of Community Services

Washington, DC



- The Office of Community Services, which administers the Assets For Independence (AFI) program, works in partnership with states, communities, and other agencies to provide a range of human and economic development services and activities which ameliorate the causes and characteristics of poverty and otherwise assist persons in need.

Your Guest Speakers

- **James Thurston**

Data Team

AFI Resource Center



- The AFI Resource Center provides training and technical assistance to AFI grantees, their project partners, and other organizations that are providing asset building services across the nation.

Your Guest Speakers

- **Maggie Reilly**
Program Director
CASA of Oregon
Sherwood, OR
- CASA of Oregon works to develop a healthy vibrant society based on a foundation of social and economic justice.



Your Moderator

- **Johanna Barrero**
AFI Resource Center



- The AFI Resource Center provides training and technical assistance to AFI grantees, their project partners, and other organizations that are providing asset building services across the nation.

Today we will talk about...

- Eligibility rules for the AFI program
- Tools available to help streamline the process of verifying applicants' income and assets
- Real world advice from an AFI grantee that has created an effective tool to determine clients' eligibility
- Common scenarios where determining an applicant's eligibility can be challenging



Eligibility rules for the AFI program

Jermaine Burkhalter
Program Specialist
OCS

Participant eligibility



- TANF-eligible in their state
OR
- Meet both of the following two criteria
 - Income: about \$44,000 for a family of four or twice the poverty guidelines OR EITC eligible
 - AND
 - Net worth: maximum \$10,000 (less one residence/one vehicle)
- Administrating agencies may apply additional eligibility rules

Verifying eligibility

- Proof of Income
 - Previous year's tax return
 - Most recent pay stubs
 - Most recent Social Security or disability income award letter
- Proof of Assets
 - Checking and savings account(s)
 - Mortgage statement
 - Business tax returns
- Confirming earned income

Verifying eligibility in AFI²

- What is AFI²?
 - A secure, web-based project management tool useful for tracking project activity on both the Project and Participant Levels
 - AFI² is designed to simplify administrative activities for grantees
 - It is not just a data system – rather, it is a project management system



Verifying eligibility in AFI²

AFI²

- Welcome
- Manage your Project
- Applicant/Participant Details
 - Financial Information
 - Demographic Information
 - Contact Information
 - Add Household Members
- Make Enrollment Decision ▶
- Assist Enrolled Participants
- Reserve Fund
- Project Management Reports
- Manage OCS Projects
- System Administration

Applicant/Participant Details: Make Enrollment Decision

Participant, Test ▶ ID: 28259 ▶

Save | Cancel

▶ Key Information About This Applicant

TANF Eligible	No
Federal EITC Eligible	Yes
Gross Annual Household Income	\$20,000.00
Household Income as % of Poverty	135.96%
AFI Net Worth	(\$14,100.00)

▶ Analysis

Indications that this applicant **meets** the minimum national AFI criteria:

- They are not eligible for Federal/State TANF Benefits
- They are eligible for Federal EITC Benefits
- They are eligible for their reported Household Net Worth
- Their reported household annual income is less than 200% of poverty Line

▶ Enrollment Decision

- Do not enroll at this time
- Enroll this applicant
- Place on the project wait list



An effective tool used to determine clients' eligibility: CASA of Oregon

Maggie Reilly
Program Director
CASA of Oregon

CASA of Oregon

- Network IDA provider
- Over 60 partner organizations across Oregon
- Serving over 1,000 active participants a year

Calculating income eligibility

- CASA serves two income groups:
 - 80% AMI
 - 200% of Federal Poverty Guideline
- State and AFI funds are available depending on income and asset class
- Difficulties in consistency across partners (documentation, income calculation, categories of income)

Income Calculation Tool

- Effective solution to the following challenges:
 - Lots of paperwork!
 - Working with many sub-grantees
 - Different eligibility requirements
 - Definitions of eligible income
 - Need to assess household's ability to save

Income Calculation Tool

- Based on a tool used by the Federal Housing Administration
- One spreadsheet with multiple worksheets
- Each worksheet categorizes income
- Each worksheet contains fields for multiple income earners
- Fields calculate on each worksheet and at the final summary page



Income CalculationTool_2011 [Compatibility Mode] - Microsoft Excel

Home Insert Page Layout Formulas Data Review View Acrobat

Clipboard Font Alignment Number Styles Cells Editing

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Annual Household Income Calculation Worksheets

Instructions

The following series of worksheets will assist you to calculate an Applicant's annual household income and determine eligibility for VIDA. You need to consider every source of income for each member of the household. The worksheets provide step-by-step instructions to calculate annual household income. If you are using the Excel version of this document, the worksheets will perform the calculations for you. Contact CASA of Oregon for a copy of the Excel version.

Step 1. Determine the annual household income for each type of income received

There are five different worksheets based on type of income. The table below shows each type of income, a description of that income type, and the documents needed to perform the calculations. You must submit to CASA copies of the required documents, the appropriate income worksheets, and the Total Annual Household Income worksheet.

Type of Income	Earned Income? (see definition on the right)	Description	Required Documents
Consistent	Yes!	Regular Wages, Salary, and Tips/Commissions	Two months' current consecutive pay stubs showing gross earnings for the pay period Tips/bonuses Income: ▶ IRS Form 1040 Schedule C showing Tips/Commissions/Bonuses acquired OR ▶ Statement from Applicant disclosing bonuses
Inconsistent	Yes!	Seasonal employment	▶ Two months' current consecutive pay stubs showing gross earnings for the pay period AND ▶ Written confirmation of seasonal employment, if applicable
Self-Employment	Yes!	Earnings of a sole proprietor of a trade or business or an independent	1. Current quarterly profit/loss statement AND

Earned Income Definition

What is Earned Income?

Earned income includes all the taxable income and wages you get from working.

There are two ways to get earned income:
You work for someone who pays you
You work in a business you own.

Taxable earned income includes:

- Wages, salaries, and tips;
- Union strike benefits;
- Long-term disability benefits received prior to minimum retirement age;
- Net earnings from self-employment.

Instructions Consistent Income Inconsistent Income Self-Employment Income Benefits Income Alimony Total Annual Household Income 2011 Income Gu

Count: 10 85%



Income CalculationTool_2011.xls [Read-Only] [Compatibility Mode] - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View

Normal Page Layout Page Break Preview Custom Views Full Screen

Gridlines Headings Ruler Formula Bar

Zoom 100% Zoom to Selection

New Window Arrange All Freeze Panes Hide Split View Side by Side Synchronous Scrolling Reset Window Position Save Workspace Switch Windows Macros

16 fx 4

A B C D E F G H I J K L M N O P Q R S T

1

2

3 Annual Household Income Calculation

4 Worksheet

5 **Total Annual Household Income**

6 ENTER DATA: # in Household: 4 Net Worth: Probable* Funding Source: Please enter Net Worth

7

8 **REQUIRED:**

9 **SUBMIT THIS PAGE TO CASA**

10

11 Total Annual Consistent Household Income

12

13 **Step 1 Determine Probable* Funding Source**

14 Upon entering the # in Household and the Net Assets of the saver, the

15 formulas on this worksheet will determine if this applicant may receive AFI

16 funds. Use this information to better manage your award amounts.

17 Please use the digital version of this worksheet.

18

19

20

21

22 Total Annual Inconsistent Household Income

23

24 Total Annual Self-Employment Household Income

25

26

27

28 Total Annual Benefits Household Income

29

30

31 Total Annual Alimony Household Income

32

33 **Total Annual Household earned Income^**

34

35

36 **Total Annual Household Income^**

37

38

39 **Total Annual Non-Income Affecting Benefits**

40

Funding Source Please enter Net Worth

*Still depends on asset class - (microbusiness, homeownership, and education are all AFIA eligible).

If an AFI eligible saver stops making deposits from an earned income source, please complete the Change in Earned Income Form

Instructions Consistent Income Inconsistent Income Self-Employment Income Benefits Income Alimony Total Annual Household Income 2011 Income Guidelines

Ready

110%

2:42 PM 1/24/2012

Verifying Net Worth

- Value at the time of application
 - Net worth is a snapshot
 - Concept can be confusing
- Assets & liabilities
 - Excluding one vehicle and a primary home
 - Opportunity to talk about assets

**Common scenarios where
determining applicants' eligibility
can be challenging**

Scenario # 1

- A household receives Temporary Assistance for Needy Families (TANF) and they have no earned income. Although they are heavily in debt, one of them is interested in going to college.

Scenario # 2

- In a household of two people, one member has work-study wages from school, only works 9 months per year and makes \$10,000.
- The other household member has a small business that just started and is not tracking income. This person has no other income.



Income CalculationTool_2011 [Compatibility Mode] - Microsoft Excel

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Spelling Research Thesaurus Translate Proofing

New Comment Delete Previous Next Show/Hide Comment Show All Comments Show Ink Comments

Protect Sheet Protect Workbook Share Workbook Track Changes Changes

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1																			
2																			
3	Annual Household Income Calculation Worksheet							Funding Source Calculation Tool											
4	Total Annual Household Income							Please enter # in Household and Net Assets to see if the saver will probably be funded through AFIA grants or State exclusive grants.											
5								# in Household:			Net Worth:			Probable* Funding Source:					
6	REQUIRED:							ENTER DATA:			Please enter # in Household			*Still depends on asset class - (microbusiness, homeownership, and education are all AFIA eligible).					
7	SUBMIT THIS PAGE TO CASA																		
8																			
9	Step 1 Determine Probable* Funding Source																		
10	Upon entering the # in Household and the Net Assets of the saver, the formulas on this worksheet will calculate what grant the saver will most likely be allocated to. Use this information to better manage your award amounts.																		
11	It is highly recommended to use the digital version of this worksheet.																		
12								Total Annual Consistent Household Income											
13								Total Annual Inconsistent Household Income											
14								Total Annual Self-Employment Household Income											
15								Total Annual Benefits Household Income											
16								Total Annual Alimony Household Income											
17								Total Annual Household earned Income^											
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Instructions Consistent Income Inconsistent Income Self-Employment Income Benefits Income Alimony Total Annual Household Income 2011 Income Gu

Ready 100%

Scenario # 3

- Father makes \$35,000/year and supports his daughter, who is his qualifying child. He claims her on his taxes and gets the EITC.
- Household's net worth is \$6,000

Questions for the Guest Speakers



Contact Information

For general questions about the AFI program,
visit www.idaresources.org.

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Upcoming “Tools for Success” Webinars

- Telling Your Story: The Power of Effective Messaging
February 8, 2012

Registration details coming soon!