



Memorandum of Agreement

[Financial Institution], and Prosperity Works, enter into this agreement in order to provide access to Individual Development Accounts throughout the [Financial Institution] service area in New Mexico, Northern Texas, Eastern Arizona, and Southern Utah. The details of this commitment are as follows:

1. [Financial Institution] agrees to open Individual Development Accounts (IDAs) as interest-bearing custodial savings accounts, held in the name of the participant with Prosperity Works as the custodian. The interest earned on the participant's savings is owned by that participant with the annual 1099 distributed directly to that participant.
2. Each IDA savings account shall be opened when an IDA participant, comes to the banking branch and presents an account open letter (Exhibit A), signed by the IDA participant and a Prosperity Works Partner Organization (Exhibit B). Along with an initial deposit of at least \$10.00. [Financial Institution] is not responsible for participant eligibility criteria, which is reviewed and approved by the referring partner organization.
3. [Financial Institution] will open the IDA account regardless of the participant status with *ChexSystems* except in the case of a fraud alert. If a fraud alert appears, [Financial Institution] is not obligated to open the account. For all other matters that appear on the report, the IDA Administrator will work with the participant to resolve the matter(s) as soon as is practical.
4. [Financial Institution] commits to waive fees customarily associated with opening savings accounts as well as monthly service fees for an interest-bearing savings account. IDA participants will not be required to maintain a minimum balance in order to avoid any fees or penalties.
5. The Statement cycle will be set as the last day of the month.
6. [Financial Institution] shall supply Prosperity Works with a monthly statement reflecting the deposits, withdrawals, and interest accrued in the participants IDA accounts. Monthly statements are to be sent to **Prosperity Works, 400 Central Ave SE, # 101, Albuquerque, New Mexico 87102**. Note: *E-statements may replace monthly statements*.
7. Each Savings participant shall receive, free of charge, a monthly statement, which shall include their deposits, withdrawals, and interest accrued. E-statements may

replace monthly statements. Savings participants will be allowed viewing rights to their accounts

8. Interest earned on the savings accounts is reported to the participant's Social Security Number.
9. An IDA authorized withdrawal form, signed by the participant and IDA coach will be faxed to the bank by Prosperity Works before the participants funds will be issued to the designated third party toward an authorized withdrawal. This form shall include the name of the vendor to whom disbursement is to be made and the accurate amounts of the participant's share and the match share, plus interest earned.
10. [Financial Institution] attests that it complies with FDIC accounting regulations, reporting quarterly and annually.
11. This agreement shall be effective as the date of signature below unless modified by consent of both parties.
12. This Agreement can be terminated by either party with sixty (60) days notice. In the event that [Financial Institution] initiates a termination of this agreement, it agrees to allow IDA participants who have already established savings accounts to maintain their accounts under the terms outlined in this agreement for at least six (6) months after the agreement terminates.
13. All terms shall be consistent with the laws applicable in the State of New Mexico and with AFI policies as describe in the Assets for Independence Act, in title IV of the Community Opportunities, Accountability, and Training and Educational Services Human Services Re-authorization Act of 1998, P.L. 105-285, amended in December 2000.

[Financial Institution]

Date _____

New Mexico Assets Consortium
Prosperity Works

Ona Porter, President & CEO

Date _____

Account Open Letter – Included as Exhibit A

SAMPLE ACCOUNT OPEN LETTER

March 13, 2012

Dear Bank Representative,

The holder of this letter, Enter Participant Name, has been authorized to open an Individual Development Account (IDA) custodial savings plan through **Prosperity Works**. The fiscal agent of this initiative is **Prosperity Works**, who will also serve as the account custodian. The local manager of this savings plan is Insert your agency name here, a participant of Prosperity Works.

This account is to be set up with the following characteristics:

- A custodial account between the saver listed above and Prosperity Works;
- Minimum opening deposit of \$10;
- No minimum balance requirement;
- No monthly service fees;
- The account is opened regardless of information contained in a ChexSystem or credit report, except in the case of fraud;
- Monthly account statements are available to both the participant and the custodian.

In order to open the account most efficiently, the IDA Savings Partner, has signed a Release of Information clause, as well as completed beneficiary information on this account.

If you have any questions about these arrangements, please call me, Insert your name at 505-Insert your phone number. Additionally, IDA Project Manager, Sharon Henderson (505-250-2370), is available to address questions you may have.

Thank you for your part in helping with the successful savings plan of Enter Participant's Name !

Sincerely,

Insert your name

IDA Coach

Cc: Enter Participant's Name

Prosperity Works

Custodian Information

Name: Prosperity Works

Contact: Ona Porter, 505-217-2747/ Fax:505-404-0535

Street: PO Box 7596, Albuquerque, NM 87194-7596

FIN: 85-0466059

NM Taxation and Revenue ID no.: 02488417000

Applicant Certification – Release of Information

I have opened an Individual Development Account (IDA) custodial savings account at the financial institution listed in this letter. I hereby authorize this designated financial institution to release information about this one account to staff associated with this initiative. I understand that this is a custodial account and, as such, copies of bank information will be sent to the custodian.

Financial institution holding IDA: Insert the name of the bank

Signature: _____ Date: _____

Type Participant's Name

Prosperity Works Partner Organization List

Exhibit B

- Central New Mexico Community College Connect (CNM), Albuquerque, NM
- Chino Federal Credit Union, Silver City, NM
- Community Action Agency of Southern New Mexico (CAASNМ), Las Cruces, NM
- Cuatro Puertas, Albuquerque, NM
- Economic Council Helping Others Incorporated (ECHO), Farmington, NM
- HELP New Mexico, Espanola, Las Cruces, Roswell, NM
- Homewise, Santa Fe, NM
- Hopewell Community Center, Santa Fe, NM
- Santo Domingo Pueblo Housing Authority, Pueblo of Santo Domingo, NM
- Nacimiento Community Foundation, Cuba, NM
- La Plaza de Encuentro, Albuquerque, NM
- The Women's Inter-cultural Center, Anthony, NM
- Native Community Finance, Pueblo of Laguna, NM
- Navajo Nation, Eastern Regional Business Devlp. Office, Churchrock, NM
- Navajo Partnership for Housing, Gallup, NM
- Santa Fe Civic Housing Authority, Santa Fe, NM
- Santa Fe Habitat for Humanity, Santa Fe, NM
- Southwestern Regional Housing & Community Development Corporation, Deming NM
- Supportive Housing Coalition of New Mexico, Santa Fe, NM
- Wellness Coalition, Silver City, NM
- Zuni Pueblo Housing Authority, Pueblo of Zuni, NM