*"Tools for Success" webinars for Assets for Independence grantees:*

**Course Corrections: Re-Assessing Your Capacity and Revising Program Design**

Monday, March 18, 2013
12:30 – 1:30 p.m. PST / 3:30 – 4:30 p.m. EST

**Jimmy Crowell:** Hi everyone, and welcome to our webinar "Course Corrections: Re-Assessing Your Capacity and Revising Program Design." This webinar is the next in our series of "Tools for Success" webinars designed for Assets for Independence grantees and sub-grantees. My name is Jimmy Crowell, and I'd like to welcome you to our conversation today.

Before we start today's presentation, I'd like to begin with a few housekeeping items.
If you're having trouble dialing in, you can listen through your computer using speakers or connecting a headset to your computer.

If you're having technical difficulties such as trouble connecting to the visual portion of the 1
webinar, send us an e-mail and we'll send you the Power Point file as an attachment so that 1
you can follow along. The e-mail address is tmurphy@cfed.org.

Today's webinar is being recorded, so you will be able to review it on demand. You will receive a follow up email in a week or two with details on how to access the recording. We will also send a copy of the PowerPoint presentation that is being used today.

We have a number of participants registered today, so your phone lines have been muted to ensure sound quality.

We encourage you to send questions at any time during this presentation by using the Questions box in your GoToWebinar Control Panel as you see on your screen. We will try to answer as many of your questions as we can after the presentation.

We realize that some of you on this call may not yet be AFI grantees, so we want to provide you with information about the program. The Assets for Independence Program, or AFI for short, is the largest source of funding for IDA programs nationally.

To learn more about AFI, including how to apply, visit **www.idaresources.org**

Let's start by introducing the guest speakers. First up we have my colleague and good friend, Amy Shir. Amy is an AFI Regional Consultant. Next, we are joined by Cathy Jones from the Tuscaloosa Housing Authority, an AFI Grantee in Tuscaloosa, Alabama. The mission of the Tuscaloosa Housing Authority is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

I am Jimmy Crowell and I work for the AFI Resource Center, which provides training and technical assistance to AFI grantees, their project partners, and other organizations that are providing asset building services across the nation.

I will start with this slide that lists the objectives of today's session. We are going to offer tips for identifying and addressing internal challenges and opportunities for grantees in their fourth and fifth years. We are going to present various program design changes that can help you spend down your AFI grant. We will discuss how to apply lessons learned to future funded AFI programs. We will also learn from an AFI grantee, Cathy, who made program design changes to improve outcome.

**Amy Shir:** I am so glad that you guys are on the call. I hope that this is really helpful to you.

The grant application was written and we get hired to do this great work and since then we have had a recession and the housing market has had a downturn and what not. So things happen and we are just going to reflect on what we can do about the fact that things happen.

Sometimes when we step back we see that we have money that isn't obligated to the remaining purchases in the program and our whole focus, or so we thought, that the last couple years of the grant was going to be helping people with their asset purchases and not having to recruit new people or raise money. So, as I said, things happen and a lot of it is out of our control. I want to talk about things we can do.

One of the nice success stories we have had is Cathy. I got to visit Cathy at her agency and we got to brainstorm about maybe how to change direction, what tools we have at our disposal to really spend down all the AFI grant money and not send it back to the treasury and instead spend it in our community. Cathy, this would be a good time for you to tell us a little bit about what the situation was and a little bit about the conversation that we had.

**Cathy Jones:** In Tuscaloosa, we had an AFI grant at the Tuscaloosa Housing Authority for a number of years and it was really a challenge for our participants to maximize on the savings goals that they had. At that particular time we had a 2:1 match rate. We had the energy there, but for some reason due to savings, the economy we were going through, we had extensive tornados in our area, our participants were not able to maximize on the opportunities that were before them. And when Amy came down we sat around a table and like she said, we were beating ourselves up because we weren't the ones that were there when the grant was written and we didn't want it to appear that we weren't successful in what we were doing and we had to sit back around the table.

One thing we thought of is that we had to change the match rate. We had to make it where the goals of our clients are reachable in an adequate amount of time and learning how to save. What we did is change the rate and we went from a 2:1 to an 8:1. Since we did that and began working with several participants that were able to maintain employment and went through and were able to have insurance and have savings and all of that. So far we have been able to graduate 2 participants from our IDA program and our award was for 10 people. This was done within the last year to year and a half, since we made the change. We are actually on the upscale of graduating two more individuals by July that's going to go into business capitalization.

It is a match change for the homeownership fund and the revitalization of our program as a whole has actually put a lot of energy back into it and we actually have them take ownership of what they were doing and some of the participants still come back to some of the various trainings that we have to let people know that your dreams actually can come true.

**Amy:** Thank you so much, Cathy.

Let's go to the next slide and I don't know if you all heard one of the things that Cathy said. Some things you can't plan for. I also live in tornado alley and they have these horrible tornados go through Tuscaloosa and in fact their own agency had to be moved because it was absolutely destroyed and so Cathy and her team's files, database, computers and everything was destroyed and they needed to move. So natural disasters happen and planning commitments fall through.

We do this great stuff of writing grants and institution A commits $100,000 and the mayor says I can use $50,000 of the CBPG funds. By the time you get the grant aware the mayor isn't in office anymore and the financial institution was required by another financial institution and your champion there isn't there anymore.

We have had a terrible economic recession. Our own agencies have had high staff turnover and had their own manager change and had participants lose jobs. We have also seen financial institutions tighten access to credit. Whereas before maybe a 580 credit score could have gotten someone into a really nice 30-year fixed rate mortgage, now we are seeing 640. That really does affect our program.

So Cathy, before you made the changes and in addition to the tornado, were you seeing other things like folks just having difficulties saving and life happening and people losing earned income and having to suspend them for a while until they got another job? What were some of the things people were facing?

**Cathy:** Those were some of the exact things that happened to us and those in our program. We had people who lost employment and who were not able to come back and find employment at the same rate that they were making prior to. We also had some people who decided that the program just did not fit them and their needs at that particular time.

Because homeownership and going back to school all take up time and energy and they decided that this program wasn't for them at that particular time.

**Amy:** Right, exactly. And I think everybody on the phone can relate. So, Jimmy, I think we have our first instapoll.

**Jimmy:** I'm going to launch an instapoll just to get a sense of which of these issues you guys on the call are having.

If you currently manage an IDA program, which of these issues have most affected your planning? Fundraising, staff turnover, "dropouts", participants' financial stability, or tough market conditions.

The big issue is participants' financial stability. So like we talked about, participants losing their jobs, the economic recession. It can be tough for participants to save.

Amy, I have a question here that relates to this slide. The question is, "Amy, how do you ensure adequate knowledge transfer in the case that an organization has experienced high staff turnover?"

**Amy:** I think one of the most important things you can do with knowledge transfer, because frankly we go all over the country to provide technical assistance and we do find that there is no institutional knowledge that gets transferred. We have to rebuild the knowledge and do a whole training and what not. One of the things that I definitely recommend is using the resources that AFI has. Idaresources.org is a really good portal for all things AFI IDAs. That would be one way to help new folks get acquainted with the program. I think an even better idea is to build in some time with existing staff and make sure that some sort of policy and procedures manual is created. What I recommend is that all staff have a binder, a physical binder, although we are going paperless and that's cool. And in the binder we have a copy of the AFI legislation, we'd have our grant application, we'd have all of the reports like our semi-annual twin project narrative as well as the financial reports, we'd have our annual report to Congress, we'd have our notes that we'd written down as we've talked to our AFI program specialist and we would also have some high level data of our participant activity and some sort of tracking mechanism.

But then, to go further, I would definitely recommend that you have a policy and procedures kind of manual and I believe we have a template of this on idaresources.org or you could call the IDA resources, the AFI help chat line. But just a little bit about, you know, I think it is really important to have a flow and conduct orientations, and then you do enrollment and know what is needed to screen enrollees and know if they're eligible and know where they are banking and know that they must have six-months minimum time from the time they open their account to the time they go to training and they must be saving regularly. There is also the asset purchase process and what does that look like? Once you cash them out, how do you close the account or close the code so that it is not in your database anymore? And then do you want to do an exit survey or follow up with an AFI IDA? So really having some sort of flowchart to how you can move them through the program and how you can touch them. Have copies of all the forms – application forms, fliers, savings agreement. Know who your partners are, who is doing financial education, who is your bank partner. All of those things I think can be really helpful when someone ups and maybe, you know get a better job or something like that. So I would strongly recommend using your existing staff to take some time to codify their policies and procedures. It should be really thoughtfully crafted so that they share where on the computer the stuff is stored and, just again, how they interface with their participants and their partners and things like that.

**Jimmy:** Participants' financial stability is a major issue affecting your program so the question is and Cathy maybe you have some insight about this, "Are there any strategies to control for high job loss among participants? Is there anything that practitioners can do?"

**Cathy:** Well basically what we do at the Housing Authority is when a person comes up seeking interest in the IDA program; we connect them with the IDA staff as well as our job coach if they are available as well. Some of them might have been out of a job for a long length of time or wanting to transition into something else. So the IDA staff and our job coach actually work hand-in-hand. Sometimes you are able to network and place that person in another employment opportunity doing things you probably couldn't if you didn't have that job coach in place.

**Amy:** I think it really does speak to the need to be in close communications with all of your IDA participants because there is a major requirement that they deposit earned income into the IDA and so if you start to see that a deposit is missed on a monthly basis it is really important to stay in touch and make sure that when you are training them or they are coming in for a monthly visit or whenever that is that you stay in communication because if someone has lost a job. Cathy has a job coach on site and many of us do have employment specialist and a lot of us partner with employment trainers so that we can keep people in work and keep them depositing from earned income.

**Cathy:** Also, at our agency, the groups that we have and have been working with, they actually have called themselves our IDA club, and they actually meet once a month and when they meet once a month we are able to stay up to date regarding employment or any obstacles or any barriers they might be facing or any success stories we might be able to share around the table as well.

**Amy:** Right. And that is a really good practice. A monthly savers club and have people come together and have someone sponsor some food and they can share some of their struggles and some of their strengths and they go through it together. When they do their asset purchase everyone can celebrate them. That's a really good practice to implement.

Again, there are things like tornados that are completely out of our control. And some of the things we do have control over. When you do notice that you may not be as on track as you thought you were going to be, that you are still raising money, you are still having to enroll participants in the last two years of the program, I would highly recommend that you contact your AFI program specialist to discuss your problems and brainstorm solutions. Some of you may now know who that program specialist is because they get reassigned now and then. You can call the 800 number, which we will share with you at the end of the call, and ask, "Who is my AFI program specialist? I am having issues and would like to talk to someone." You can also ask to talk to a technical assistance provider like myself and we can really get into the nitty gritty of what you are facing and how to course correct.

There are a variety of program design changes that you can make that boost program outcomes and Cathy has shared that she increased match rates and we are going to talk about that one and this is a beautiful tool to help us.

If you do decide to make any of these program design changes that we talk about, go to idaresources.org and click on "Managing Your Grant" and scroll down to "Program Design Changes." There is a template there and you merely write down on the template the kind of program design changes you'd like to make and you email that to your AFI program specialist for approval. So go ahead and submit that and then start calling your AFI program specialist to say hey, I'd like approval for this match rate change, or whatever. That would be the official process that we'd like you to go through.

Let's talk about what typically does not get approved. Unfortunately the legislation says that you have to raise a dollar of non-federal for a dollar of federal funds. For those of you who have been in the field for as long as I have you know that this is really tough. That is what the legislation says right now and so that can't be changed. You can't submit a program design change request and say you'd like to commit fifty cents of non-federal dollars for a dollar of federal funds. We'd all like to do that but we can't. You are not going to get anywhere with that one so it is not allowable.

The other one is that you are allowed 15% of what fits in that plastic reserve fund. Every dollar of your non-federal match and federal match gets put in a segregated bank account that we call a plastic reserve fund. Of that pool of money, 85% must go, at least 85% must go towards participant matches and you can use up to 15% of that for your non-federal administration. It's not a whole lot of money. Many of you fundraise outside of this project reserve fund to pay for administrative cost and many of you are wearing multiple hats. I suspect many of you left your Vita site to participate in the webinar and you will go back to do tax forms and tax prep after the webinar. But you can't take more than 15% for administration. Now you can take less that 15% for administration and some of you do that. I strongly recommend that you use what you are allotted so use that for administration.

The other thing that is really difficult to get approval for is say you started a new branch of your agency in another geography, you know several states away. It is pretty tough to add a new geography or expand geography greatly in a program design change manner. What I typically recommend is that if you do want to serve a new population in a new market that you apply for another grant. You can include that new geography and who those local partners will be and how administrative things will go in a new grant. It is tough to change that geographical scope.

**Jimmy:** I just got a question in that is very relevant. If you are a network project and you're adding a sub-grantee that then gives you broader geographical reach, is that okay?

**Amy:** Yes. Let's use an example of you're a network project in a state. You really want to expand through 100% of the state. At the time you applied for your grant you said that you are a statewide network and these are the counties that you currently have sub-grantees in, but you are a statewide network and you really want to expand to these other counties. That would be something to still contact your program specialist about and discuss but that would be within the original scope. If you are a regional network and you discussed three states and now you want to add a fourth state in the region, talk to your AFI program specialist. That may not be too much of a reach either. Sometimes what we will see is an agency will open an office on the east coast and then want to expand and open an office on the west coast. That's what I'm talking about. This typically doesn't get approved, but as long as you stay in touch with your AFI program specialist to discuss these nuances and what not you'll be well served that way.

Let's go to what allowable program design changes there are. One thing I want to say before we get to these is that it is really important to stay current with your reporting requirements. You have those twin reports due every six months and so you want to stay current on those reports and on your annual data report. Sometimes if you do put in a program design change request in the fourth or fifth year and if you haven't submitted the last two twin reports your AFI program specialist will ask you to do that. They don't have to be really long and cumbersome. That project narrative report can be a page even. But you do want to stay current on your reporting.

Changing your match rate and we are going to talk about that because I am traveling all over the place and I keep recommending this one and everyone loves it and we will discuss why it can really help you fast track participants and spend all of the money in your grant in your community. Changing and adding or adding an approved asset goal, we will talk about that. Diversifying your target population, again not expanding geography. Maybe there are a lot of Latino potential customers of your program and you haven't had relations with Latinos or Latino community groups. That would be an example of diversifying your target population. And increasing or decreasing your own monthly deposit requirement. That's not an AFI requirement to say hey on the savings plan agreement they agreed to deposit fifty dollars a month. That was your own program requirement so you can make tweaks like that that help people meet their savings with what might be a change of income or increased expenses over the winter with utilities or something like that. So all those things are easy to change.

Some advantages of increasing your match rate. Increasing the match rate can help a saver access the funds available to them in shorter time frames. What we do here is the higher the match rate the lower the amount that they have to save. It doesn't have to change the match amount that they get but it can greatly increase retention because instead of saving two thousand dollars for a 2:1 match now they may be saving five hundred dollars for an 8:1

match. It gets them through the program faster and in your market there still may be enough money for assets purchase to make that part successful in the market.

Increasing match rates also decreases the time and resources spent on case management. Again, this is a fast tracking strategy in years 4 and 5 you lower the amount that they have to save. What has been taking 24 or 18 months can now be fast tracked to take between 6 and 12 months. AFI really wants you to spend all of your federal funds in your community. Congress is looking at our program and we want you to be spending the money and not spending it back to treasury so that Congress steps in and says we aren't spending the money and wants to cut the program. None of us wants that to happen and we all want you to spend the money in your community. Increasing match rate may help you remove a significant barrier and help your participants be more successful in a timely fashion.

Let's look at the chart. This is a really important chart to study because it can be confusing. The first column shows you the participant savings. The second column shows you the match rate and you are allowed up to an 8:1 match rate with AFI. I will put a caveat on this that if you have a non-federal funding source that requires a certain match rate, say 3:1 or 2:1, you could go back to that non-federal funding source, it might be a United Way or a municipality, and tell them the federal government allows up to an 8:1 match and ask if they will allow an increase as well. Be aware that your non-federal funders may have a stipulation about the match rate. But here is the compelling thing. Look at the AFI match and not the non-federal match amount. Again it is a dollar for dollar up to $4,000 per participant from their project reserve fund. The money that they get, they don't get affected, it always can stay up to this $4,000 per participant. But what happens is if you're finding attrition from $1,000 of savings to $2,000 of savings with your 2:1 match, imagine how many participants may have already reached that $1,000 threshold. You match them with the $4,000 but now you have a whole big group of people that have now completed their savings and you can now assist them with their asset purchase instead of having them attrite because they just can't make it to that $2,000.

And then if you look down at the bottom, this 8:1 match rate, this is a terrific match rate, particularly for education and for microenterprise. A lot of your small business folks and by the way, in years 4 and 5, I would not recommend serving too many folks who have a dream of owning a small business. For example, they dream of having a restaurant and they've never cooked before or worked in a catering firm or a restaurant. In years 4 and 5 it would be a much better idea to target existing small business owners, people who need inventory, who need capital to grow their existing business and are eligible. This match rate allows them within six months to complete their business plan with some financial education and you get out of their way. You get them the capital they need that no one else in the community is giving them.

This match rate increase is something that is allowable and that we really strongly recommend that even if in your grant application you said you were going to do a 2:1 match and even if you're working a network project and you've always done it this way. If you think that this could help you achieve your program goals, which is to spend all of your money by the end of the grant period, then really I would highly recommend you look at this. We can talk to you about how to talk to your executive leadership about reasons why to do this or how to talk to your board or anyone. It just makes a whole lot of sense.

Let me tell you one of the only reasons this wouldn't make sense. For homeownership, if you live in a high cost market, you are not working with Habitat or other sweat equity programs. In the south we have a lot of lower cost housing and $4,500 down combined with some other down payment and closing cost assistance really can get folks into an affordable home. Many of our communities, they are buying $80,000 to $120,000 homes. This amount is enough for them to put down. In other markets, in high cost markets, you may need every penny of that $6,000 that is there for the 2:1 match. That would be something that you would want to look at. Is $4,500 going to be enough for the asset purchase of these people's dreams? Will it be enough for their post-secondary tuition for a few semesters? Will it be enough for the kind of inventory that their business plan outlines? That would be one of the characteristics of not wanting to increase it too much.

Another reason, for homeownership, you want to encourage people to save regularly, because for any of you who are homeowners, you move into that great home and all of a sudden the roof starts leaking, the furnace breaks and you need savings. Right? One of the things I recommend is if you do increase the match rate and people have more than $500 or $1,000 saved, have them open another savings account. That is going to be their asset maintenance savings account and that is what they will put their money into so that when the roof leaks and the furnace breaks and the window cracks and the carpeting gets moldy that they have savings and they keep saving to maintain their asset. Those are some considerations that I would look at when I'm trying to make this decision about whether or not to raise the match rate. Cathy, do you have anything to add on this?

**Cathy:** No, I think what you highlighted is very similar to what we did to make our program work for us.

**Amy:** In Tuscaloosa, as in Louisville, KY where I am, as in many communities around the country, all that raising the match rate does is make it easier for people to get through your program faster. So it really is a good consideration in the last couple years of your grant, typically.

**Jimmy:** I'm going to stop you there Amy to quiz the audience. How much participants savings would a 5:1 match rate require? $700 dollars, $800 dollars, $900 dollars, or none of the above?

The correct answer is $800, so 32% of you are right.

**Amy:** I'm really glad that we did this. Jimmy, why don't you go back to the chart that we were showing.

This applies to getting the maximum match, which is $4,000. If you look at the third row, you have $1,000 at 4:1 and then you have the fourth row, which is $500. If you insert a 5:1 match rate where you are providing $4,000 dollars, $2,000 non-federal and $2,000 federal. Five divided into $4,000 is $800 dollars, so I would insert a 5:1 match in there, right where it goes in the chart so that it is clear for you. That means, again, that maybe saving $800 and getting the $4,000 gives them $4,800 for their asset purchase. Maybe that is a good match rate?

The other thing I want to tell you is that you don't have to apply the same match rate to all of your asset goals. You can have a 4:1 match rate for homeownership and an 8:1 match rate for post-secondary education and small business. What you don't want to do is give a certain group of people a higher match rate than another match rate.

You can make the match rate retroactive to existing participants. What I would recommend that you do for anyone who has already been in the program and thinks that they are getting a 2:1 match rate is that you email them just to approve the amended savings plan agreement and remind them they are not getting less money from you – they are getting exactly the same amount of money – they just have to save less to be in compliance with their savings plan agreement. It is very important for you to not let anyone think they are getting less money. They are getting the same amount of money.

If you are still enrolling people in years four and five because you've had some attrition and had some slack to fill, can you imagine how much easier it will be now to get people who are going to now, you know if you have a flier and have eight dollar bill signs for every dollar saved, it is a very compelling market strategy to get folks in and to get them signed up.

What we saw a lot, particularly at the beginning of the recession which we are slowly coming out of is a lot of savers decided that homeownership may not be in the cards for them. They thought it was too scary and their credit isn't quite up to where they need it to be. Folks can change their asset goals to education, get some training, become a certified nursing assistance, or get a couple semesters in at a community or technical college. We have seen a lot of that.

If you didn't do education IDAs before, it can open the door to new partnerships with your local community, vocational, and technical colleges; your cosmetology schools and barber shops; the Red Cross with its CNA or phlebotomy programs. A lot of those type of short training programs really target low income folks and they can be great partners and then eventually they can become sources of non-federal funding for you as well.

**Jimmy:** Here is another question Amy. What if I add education IDAs but I don't have the capacity to offer the asset specific education courses in house?

**Amy:** In my opinion that is the easiest one to do for adding. First of all, AFI recommends that you do asset specific education. It is not a requirement, but most grantees do it. In this case, maybe what you do is ask if anyone wants to stay for financial education that they meet with a financial aid counselor at the college they are attending or plan to attend and work out a plan to incorporate the IDA in some way. As long as they let you know that they met with that person that counts. That can be what asset specific education looks like.

You can also diversify your target population. It could give you more program access and potential participants. There may be faith based organizations, immigrant and refugee serving organizations, Vita sites, ESL programs, SBDC, sweat equity housing programs, community colleges for existing students, etc.

If you are struggling on the recruitment side talk to us, increase your match rate, and consider maybe some new partners that have those trusted relationships with those groups of new potential participants. The other nice thing about this is that you may then be able to create access to new funders because you're now going out and you're working with domestic violence shelters and the All State Foundation really funds a lot of domestic violence survivor economic empowerment work and so now the All State Foundation is funding your program. Or you are working with immigrants and refugees and you have a very successful refugee business owner who now gives $15,000 to your IDA program. This can be a really nice way of expanding your geography, getting translators and interpreters to serve new populations, and have funding come along with that.

Another thing that you can do is even if somebody wrote in their savnigs plan agreement that they are going to save a minimum of $50 or $75 dollars a month, now you increase the max rate, you decrease the amount they have to save, and so maybe they're going to be successful now because $25 a month savings is totally doable for them. It really can ease that monthly burden on them. Definitely be looking at this. AFI does not require you to have a minimum or maximum savings rate. AFI allows you to do deposits from tax returns and earned income tax credit. I would encourage you to be looking at your data and if you see some lump sums deposits in August or October that aren't work related, like tax returns or work bonuses at the end of the year, that you keep up with that, because it has to come from earned income.

You can tweak all of this and make it work for your folks. Don't be too restrictive. One of the things that I talk about when I visit with you is how are we creating unnecessary barriers for our participants and how can we remove those barriers and I think this could be a good one to look at.

**Jimmy:** Cathy, after you decided to change your match rate, did you change the monthly deposit requirements or the savings period for your participants?

**Cathy:** We actually did. The monthly deposit, that monthly amount, went down lower which made their goals obtainable.

**Amy:** So here is a scenario and we are going to do another instapoll. You're three years into your grant and you are behind on your enrollment goal. You have raised all of your money and it is all sitting in your bank account and you've gotten your entire federal grant match.

That's awesome, however, due to dropouts, you have only 56 current savers and you have just two years left in the grant.

**Jimmy:** We are going to conduct another instapoll. What are your options to use all of the AFI and non-AFI funds that you have raised?

A. Spend more than 15% on program administration
B. Consider increasing the participant match rate
C. Add education IDAs as an allowable asset goal
D. Don't worry about it – if it doesn't get spent, that's OK
E. Both B and C

**Amy:** This is not a social service program. There is some hand holding and there is some work that we do to really help people change mindsets and establish savings behaviors but it really is an economic development program. One of the things that you can do to increase retention and to maybe shorten the time frame of people being in the program is to really look at your initial assessment and make sure that people are ready for an IDA. Not everybody is ready. Typically what we see is that if someone is in a homeless shelter or in a DV shelter, they may not be ready for an IDA program. We talk to them about it and so when they get a little more stable and they have stable housing and a more stable environment and they are employed, then the IDA gets involved.

One of the things to look at is to see if you are serving everybody or if you are serving those who are going to be successful. That is not being a former banker, it is not redlining, it is not going after only middle class people. They still have to be eligible. But you will typically not who is ready. Especially if you have to enroll people later on in your program, you want to fill those precious slots with people who will be successful so you don't have to send money back.

One thing I recommend is, if you're not already, is to look at credit, particularly for homeownership. Maybe financial institutions are not providing good mortgages with less than a 640. If someone has just filed bankruptcy, just foreclosed, has really crappy credit, now is not the time to enroll them in a homeownership track. Not in the last two years of your grant. So look at that and if you would like to see what some other grantees are doing to asses asset readiness, contact your AFI program specialist and there are grantees that do this and some of them do it right online before people even apply for the AFI program so we can apply to the AFI program.

You can also look at your financial and asset-specific education requirements. If you have always insisted that people attend twenty hours of financial education and you are in the last two years of your grant, then it is just going to be impossible for people to squeeze that in. now might be a time to look at those education requirements. Again, AFI doesn't require any hours or particular curriculum. Make sure it works and is now a barrier for people. You can also allow people to do things online and have them share some quizzes or some sort of thing that shows they got through that chapter. Meet the people where they are and let them meet your requirements without creating a lot of barriers.

Network project design changes. If you make any of these project design changes, make sure that you communicate that out to the network. If you have barriers in working with sub-grantees and you want to streamline that or reduce the amount of financial education requirements or whatever, go for it!

Emergency savings requirement. Again, here, if you have a really tough policy, such as somebody missed two monthly deposits you threw them out. Most of us don't do that, but now might be a really good time, you've invested in folks, they've invested in you, and they've lost a job, so maybe you relax the requirement that you purge them or suspend them and help them find another job. There is sort of a sweet spot with this. You want to be sure that people are going to be successful.

Another thing to do is to start conducting exit interviews, particularly if they weren't successful at completing their asset purchase. Listen to them and find out what happened and why they had to exit unsuccessfully.

Some of us don't know how to set benchmarks and program outcome goals. It would be a good idea to be looking at, these last couple years of the program, how many folks do I need to graduate each month? Have I had folks drop out? Do I have time to reenroll them? What am I reenrolling them into?

Really start looking at your data even more closely and analyze how to help people who have completed their savings to complete their asset purchase. They might be waiting or they might be scared. Look at the tools that you have to help you get people through the program.

The next slide really talks about some of the key indicators. You want to be sure you draw down all of your federal grant dollars and that you spend them. You want to look at the IDAs opened, compare that to your budget, make sure that people are making those deposits on a regular basis. You want to look at your match withdrawals. If you had a goal of completing 100 asset purchase and you have graduated four people, what are you going to do to escalate that to make sure you graduate 100 people by the end of the program?

High retention, you know, how can I increase retention? You have invested and you don't want high attrition because then you have to reenroll and retrain and reestablish trust. It is hard and expensive for you. You do not have the administrative cost for that.

Do we have a group of people who haven't been completing their education? What is the problem? Is it offered during the second shift when they work? Is there a way for them to do it online? Should we shorten it?

I also want to be sure to mention on the next slide that you have an opportunity to apply for a no-cost extension. It allows you to meet your project goals that you set out. For folks who you are enrolling in year four or the beginning of year five, it adds another fifteen months to the grant project period for people to complete their asset purchase. You want to apply for the no-cost extension about 3-6 months prior to the end of your 5-year grant date. You also want to make sure that all of your reporting is up to date. There are very few no-cost extensions that don't get approved when you are up to date on your reporting and you have drawn down all of your funds prior to the end of the five years and what you are really trying to do is assist folks trying to complete their asset purchases.

**Jimmy:** Can you allow someone to sort of, start over, and use what they have accumulated as an emergency savings and reenroll them later?

**Amy:** Are we saying that we are going to hold onto the match that we've obligated to them?

**Jimmy:** No. Just the savings that they've made at their first go of the program.

**Amy:** So, you are going to hold onto that. We don't hold onto their savings, but they could hold onto their savings and then it is up to you if you asses that in year four or whatever they are actually ready to participate in the IDA program.

There is nothing to bar you from reenrolling someone who withdrew earlier in the grant period because their life improved and their job improved and what not. That would be fine. It wouldn't be an IDA anymore. They would have to reenroll, be eligible at the time of reenrollment, and then deposit money from earned income into the IDA. As long as they can prove that that was from earned income, even if they saved it previously, they just put money in from EITC or whatever, that would be fine.

**Jimmy:** Cathy I have a question here for you. You mentioned earlier that you had these savers club meetings. How did you incentivize people to go to those?

**Cathy:** Basically what we do is that we try to use targets or topics that would interest them. As far as the home buying process – who should be on your home buying team? And as a part of IDA and homeownership is their goals and dreams. These are topics that bring a lot of people in and help get people the information they need to be successful with homeownership. Once we get people there we may have door prizes for them. Everything we usually get is something like an energy conservation kit to help lower bills. It is usually a household item that they will need for homeownership. We use little tricks that will keep their interest and use various gifts that help people come in and keep things interactive, as opposed to just coming in and being lectured to.

**Jimmy:** If you are still enrolling participants in years four and five but you have a new grant simultaneously in your second year, can you move participants over to the new grants once the old ones ends, or in the middle, how does that work?

**Amy:** You can. And I would suggest that you talk to your AFI program specialist about that. what you want to pay particular attention to is your money. You want to try to spend the money down from this project, or the older project reserve fund, and then run out of money and then you can reenroll people into a new grant. There are grantees that layer grants and do that all the time. But definitely talk to your AFI program specialist about it.

**Jimmy:** For transfer to dependent IDAs, what is the test for dependency? And also, do they need to be dependent only upon enrollment or also upon purchase?

**Amy:** It is for purchase, primarily, and it is not only to the dependent but also the spouse. We don’t have a lot of rules for that, but if you have someone who wants to go to college, for example, and they are on your tax return as a dependent, that might be one thing that the grantee looks for, if they are on your tax return as a dependent, you can transfer it at the time of asset purchase, so that your savings are combined with the match from the program and college education. That’s an example.

**Jimmy:** Great, thanks so much Amy. It looks like that’s all the time we have for questions. Finally, before you leave today, we’d like to ask you to respond to the evaluation question that you’re going to see on your screen right now. This will help us assess the quality of this webinar. Please take a moment to submit your feedback before you sign off.

Thank you everyone and have a nice evening.