



**Financial Education and Matched Savings: Helping Low Income Communities**

**March 25, 2014 1:00 pm CT**

Coordinator: Welcome and thank you for standing by. At this time all participants are on a listen-only mode. During the Q&A session please press Star 1 on your touchtone phone if you would like to ask a question. Today's conference is being recorded. If you have any objections you may disconnect at this time. I will now turn the call over to a Ms. (Ophelia Wilson). You may begin.

(Ophelia Wilson): Good morning. Welcome to the webinar. In case there are some persons out there that I haven't met I am (Ophelia Wilson) with the Department of Housing and Urban Development Office of University Partnerships.

I'm delighted that you have taken the time from your busy schedule to join with us to learn more about Assets for Independence which is a program administered out of the Office of Community Services within the Department of Health and Human Services.

I would like to thank Emily (Ann Anamenta) of AFI - of the AFI Resource Center for inviting the Office of University Partnerships to be a part of this webinar. Although we have no funding at this time I would like for you to know that we are always interested in developing partnerships with other federal agencies in order to learn more about programs being administered through those agencies.

I am sure you will find the information that is presented today to be very informative and useful in better understanding the program and how you should respond to the Notice of Federal Funding Availability if you decide to implement an IDA project in your target area. I will now turn the program information that will be submitted back over to Emily of AFI Resource Center. Thank you.

Emily Appel-Newby: Thanks so much (Ophelia) and thank you to everyone who has been able to join us today. As (Ophelia) mentioned I am Emily Appel-Newby. I work with the Assets for Independence Resource Center. The AFI Resource Center is a one stop shop to provide support to potential applicants for AFI brands as well as once you become grantees to help you with technical assistance in getting your program up and running and successfully operating.

My background is I worked to support an IDA program here in the Washington, DC area after a few years before coming in the past three years to support the AFI Resource Center.

So and I'm very passionate about IDAs for higher education as well as small business and home ownership because I saw during my time working with people here in DC how it can help people achieve goals that they were passionate about and enthusiastic but may not know how to put together all the financial pieces for.

So just a little bit of webinar logistics as we get started now. So if you have any questions during the - we're going to stop for the Q&A. We're going to do our whole presentation and stop for the Q&A just at the end of the presentation. So if you have any questions along the way go ahead and type them into the Q&A panel just on the right side of the screen in your Live Meeting platform and we can address those at the end when we get to the Q&A.

So you may be - and if you're not aware of the Assets for Independence program, this is a grant program that provides five years funding, five year grant funding periods for community based organizations including institutions of higher education to work with low income populations in their area to learn about financial and consumer issues and save in special matched savings accounts called individual development accounts.

And the overall goal of the program is to help these individuals become more self-sufficient and plan for the future as well as invest in an asset -- an asset that can change their lives by giving them a higher level of economic stability and security including higher education which as many of you on the phone know is a life-changing asset as well as like I said small business and higher education.

So I want to start off the call with a poll actually to find out how many of you have worked with an IDA program before just so I can understand the relative familiarity that you might have with IDA programs, you know, either at your current position or in past positions.

So okay it looks like it's a little bit more than 50/50. It looks like it's leaning towards many of you have experience working with an IDA program before so hopefully that means you understand the concept of how it works and have seen how it can change people's lives.

But at the same time you may have seen challenges in program administration that hopefully I can help you understand how to address to create a successful project both through today's call as well as through any future technical assistance engagements that we could have. Because that's the purpose of the AFI Resource Center is we're here to help you set up a successful project.

So for anyone who is not familiar with the concept of IDAs, individual development accounts, here is an example of one, just a made-up person (Vickie) who is using - who is interested in starting her own small business.

So she is going to find an IDA program at a local organization in her community and she's going to apply and she'll be eligible for it. And they're going to offer her a match rate of \$2 for every \$1 saved in her IDA.

So and they're going to set - they're going to work with her to take a look at her budget and figure out that she can save about \$2000 over the course of three years. Now, you know, that's actually probably going to be set by the program how much they will match the \$2000 and how long she'll have to match the three years.

But again they'll take a look at her budget with her and figure out how quickly she can actually reach that \$2000 savings goal. And it looks like she can put aside \$55 a month to get there in three years.

So while she is saving she's going to take financial counseling classes and business planning classes to work on a business plan, to work on projections and cash flow and marketing plans and staffing plans.

And then at the same time they're going to help her access other important benefits like the earned income tax credit and maybe (Vickie) is going to be able to put some of her tax refund into her IDA and help her reach her \$2000 goal that much faster.

So then she - when she reaches her savings goal she's going to receive the 2:1 match so \$4000 of matching so that means she'll have \$6000 between the IDA savings and match. And then on top of that the program that she is part of probably also knows about other sources of business development assistance and so it's going to mean she has a total - she'll apply for a loan of \$2500 which gives her a total of \$8500 to invest in her business.

Now unlike a loan, the IDA does not have to be repaid but it can be a great source of equity investment that the person has to invest in their small business.

So some common elements of all AFI IDA programs are first of all the training. So there's financial education training. AFI does not dictate which curriculum you use but rather suggests that you identify or tailor a curriculum to meet the needs of your participants.

And as well as there is required asset specific training so that's where the business plan training came in. Or if somebody is planning to use their IDA for school then maybe they're going to want to do business - or I'm sorry, career planning so they understand, you know, what's the best career field for me to get into in terms of job availability in my geographic area.

A second commonality of an IDA program is the requirement to save earned income. So that means that the individual saving has to have a source of earned income and they have to make deposits every month. They have to save for at least six months before they can be eligible to use their - before they can be eligible to use their funds.

And then of course the goal for everybody is to purchase an asset. So they can use it for first home purchase, higher education or job training, and small business development. Another allowable use is to transfer to a dependent so a child or a spouse that they want to support.

And then finally a common piece in all IDA programs is always the use of partners. So this could include partners for supporting a client as they go through the program so maybe a partner that's providing, you know, like in the example of (Vickie), the earned income tax credit, maybe the (VIDA) campaign was run by a partner.

And then another partner that many are going to have is the financial institution because obviously these IDA savings accounts, well I mean they're real savings accounts so they have to be held at a financial institution. So you as the grantee would put together an MOU with the financial institution to hold these accounts as well as your matching funds.

So I understand that many of you as historically black colleges and universities run business development programs as a way to work on regeneration of the local community. So I actually put together this presentation with a little bit of a focus on the small business aspects because I understood from (Ophelia) that would probably be of the most interest.

So I'm just going to use examples from the small business field though of course there are parallel examples from the higher education and home ownership fields as well.

So to that point, the benefits of partnering with AFI and becoming an AFI grantee for a small business development organization or a group that's involved with small business development is that they can connect entrepreneurs with an immediate source of capital to grow their business. Like I said this is a source of equity that they can leverage then to maybe get a micro loan to further support their business.

It helps clients strengthen their money management skills so this is relevant to both their personal financial management and their business financial management that helps them establish their long term financial security.

We have evidence that this can increase the effectiveness of micro enterprise programs and improve the chance of success for entrepreneurs. And I'll talk a little bit about how the IDA program can really be closely tied to the programmatic development of a micro enterprise program.

And then on the school side since you are universities for people using their IDAs for education, IDAs can help increase graduation rates and decrease debt for low income students.

So for college access programs and universities that are supporting college access, there is of course mission alignment. If your goal is to recruit first generation and

low income students this is part of a package to help them be able to commit to and successfully graduate from school.

The IDA fund can fill the gap left after grants and scholarships. It can be used to double your scholarship dollars because obviously if you - by that we mean if you are able to commit a scholarship fund to be the non-federal cash contribution for an AFI grant it can double the amount of funding that you have the amount of scholarship. So, you know, before if you could offer somebody a \$1000 scholarship with the AFI funds now you can offer them a \$2000 scholarship.

It can help you boost fundraising from your donors because you're talking about this leverage that you're able to get where you're able to bring additional federal resources to bear for your project and for your students and that can be appealing to fundraisers - to donors, sorry.

It can help increase parental involvement as parents help their students save for school. And then of course it builds life skills for your students as they complete financial literacy training.

Now you have to think about the alignment between your individual - the participants that you would have, their goals for how they want to use money to support their education purchase, their small business development, or their home purchase, and make sure that it's in line with the allowable uses of IDA funding.

So I've put together these three slides that show the allowable uses of the IDA funds across the different asset goals. And I'm not going to take the time to go through them here but they're here for your reference in the PowerPoint and of course I can answer any questions that you may have.

So some of you may be considering partnering with an AFI project and others of you may be considering starting your own AFI project. Just a little bit about the field, there are more than 350 projects throughout the nation.

They are run by groups like 501(c)(3)s, state and local or tribal government agencies, community development financial institutions, and low income designated credit unions. As well there might be some projects that are put together by consortia, you know, groups of organizations.

You can use the link on the website here, [IDA Resources/map](#) to help you identify an IDA program near you. But of course there is no promise that you're actually going to be able to find an IDA program in your geographic area or that specifically serves your population. You know, they may be working on something completely different. You know, maybe they want to work specifically with foster youth.

Because AFI is a rather flexible program that allows grantees to target the populations that they want to work with, that means that they may target a different population than you are working with. Also there just may be no applicants in your area in which case I would definitely encourage you to consider starting your own AFI project. Because there could be a lot of demand in your area and there could be untapped funding resources.

So to start you thinking about operating your own AFI project, we put together these slides that go over some of the responsibilities for operating a project.

So of course there's designing the project and applying for AFI funding. Then there's developing the required non-federal cash contribution. And so that - what that refers to is in the funding opportunity announcement anyone who wants to apply for an AFI grant has to raise an equal amount so a 1:1 match of non-federal funds. So these could be public funds in terms of state or local funds or they could be from private donors such as foundations or corporations.

But so say you want to apply for a \$100,000 AFI grant, you have to raise \$100,000 of the non-federal funds to also support your project. And I think I have a slide in the - further down where I talk about the most common sources of funding for AFI programs and I'll definitely go into that.

Other responsibilities include working with those financial institution partners to hold the project reserve fund and the IDAs, publicizing the IDA program to funders and potential participants and screening and enrolling them, and then providing the participants with case management and connecting them to other asset building services like the free tax preparation that we talked about with the case of (Vickie).

Then of course there is a required - the required education pieces so the financial education and the asset specific training. And you can either provide those yourself or if you can find a qualified partner in the community to offer them, that works too.

So that's another reason - so that's a reason why partners are an important part of AFI projects is they can decrease the responsibility of your staff and thus the cost of operating an AFI program if you can find a partner who is already doing these pieces.

You need to - you're responsible for managing the project finances and then when they are ready assisting participants with opening - with making their asset purchase. And then at the same time, you know, before that opening their AFI IDAs and monitoring their savings and withdrawals.

Finally assisting, you know, this comes in part with case management is assisting those who make emergency withdrawals, raising funds in in-kind resources to support the project so, you know, the kind of wraparound services. There is some

degree of reporting to OCS and of course your other funders and then providing data to OCS for the AFI program evaluation.

And I'm sure that (Deforest) will get to talk about how he sees all these responsibilities. We have (Deforest Brown) from the United Way of Alabama as a current grantee. He's going to talk to us about running an AFI program in partnership with a historically black college.

So specifically for those of you who are micro enterprise programs, ways that you can integrate IDAs with your micro enterprise programs, of course providing technical assistance in terms of business planning for IDA savers, maybe linking access to IDA funds to completion of business counseling and writing a business plan.

Maybe you could think about basing qualification for a micro loan from your program on completion of financial education and six months of deposits in an IDA. If you think about it, many of the low income populations that we're working with have low credit scores and so you can look at savings in their IDA as an alternative way to raise their creditworthiness for your micro loan program.

Basically instead of looking at their credit score in terms of monthly payments to like utilities or on credit cards or installment loans, you're looking at their deposits every month as an indication of their ability to repay the loan. So you can help take that - you can take that into account when choosing your - making your funding decisions.

You can also have a more favorable loan review process for an IDA participant or you can have enhanced micro credit loan terms so maybe a better interest rate for IDA participation and regular IDA savers.

Okay, so it looks - I guess my - the fundraising slides are probably later. In case I don't actually have a fundraising slide in this presentation I want you to know that

I'll talk later about a series of webinars that we do that cover the - we do that are standard that cover - the first one covers designing an AFI project, the second one covers putting together an application, and the third one is the one that covers fundraising and partner development and so that goes very deeply into that topic.

But I'm also going to hope that you will hear a little bit from Mr. (Brown) about his experiences with managing an AFI project from soup to nuts before the application all the way through to asset purchase including his work with a historically black college. So with that I'll turn it over to Mr. (Brown). Thank you so much.

Mr. (Brown):

Good morning. Next slide please. First off a little bit about our United Way of Central Alabama. We are formerly the Birmingham Community Chest and we were organized in 1923 with 31 agencies and a goal of \$450,000 from our annual campaign. Today our United Way of Central Alabama is a volunteer led nonprofit organization that will address key health and human service issues by leading community coalitions.

Now being accountable and good stewards of resources, we support more than 80 member agency partners. We have over 7000 volunteers. Last year 2013 we raised over \$37.9 million with our annual campaign and we brought in grant income of \$6.6 million.

Next slide. So why did we get involved with the IDA program? There was a high level of interest around the state. We saw that there were no states funding available to implement IDA programs so we helped develop and form the Alabama Asset Building Coalition to address these growing needs.

It just made great sense for our United Way to get involved. Our mission to increase the organized capacity of people to care for one another and to improve the community. Through our financial stability partnership of Alabama we envision

financial stability for all Alabamans and it is our goal to help Alabamans achieve home ownership, education, and small business capitalization goals.

A little bit about our demographics of our savers, in our statewide program we have about 90% of the enrollees are females with children. We've had over 700 individuals to save in our IDA program. We have been privileged to have 265 and growing graduates.

We pretty much leverage funds and as a result of the assets from those 265 individuals we've had 124 first time homeowners -- no reports of foreclosure since 2008 -- and those homes are valued at \$12.5 million; 102 post-secondary education with those value of \$417,000; and 39 small business capitalization at a value of \$200,000. And so you see our program has yielded \$13.1 million of assets through the program and it's still growing.

Next slide. Our program is pretty much designed, we have a 2:1 match rate savings. Individuals can save up to \$2000 and they can participate in our program 24 months, up to 24 months.

Our basic day-to-day activities include our United Way administer grants and we manage all the reports and back office financial activities. We have staff on the front end that will contact and enroll the applicants and work with our partner agencies to conduct financial education asset specific sessions.

We have another staff member that works very close with individuals to make sure that they achieve their goal of acquisition. We work very closely, we have partner banks which host these accounts. Typically there's about three of us on staff that we work about 40 hours a week and help run this IDA program, so about three of us.  
Next slide.

So who do we partner with? We partner with financial institutions, nonprofit foundations, corporations, community action agencies, and local government and coalitions. A good example is we worked very closely over the years with Tuskegee University and with the Tuskegee Macon Community Development Corporation.

As a result of their work they have had three individuals to achieve small business, Perfect Size Shoe Store, (Dream Land Styles), an apprentice training center, and Nature's Own (Carol Spring Lawyer) and they have others that are coming through the pipeline.

Because we didn't have state funding we utilized funding from partners around the state and Tuskegee Macon CDC participants were able to use local matched funding that was given to our United Way by the Black Belt Community Foundation.

So what do - some lessons learned from our particular program, we saved some of the greatest benefit. It gives us an opportunity to work with partners, organizations, and people all across the state and maximize community resources.

For example, down in Tuskegee area, Tuskegee Macon CDC has a dynamic facility that individuals can come in and not only enroll in the program but they can attend our financial educational classes and asset specific training and have other meetings there as well.

We have an opportunity to see families achieve their dreams of home ownership, post-secondary education, and making their small business capitalization become a reality.

Over the years the experience that we've had with our programs, some of the biggest challenges is the housing crisis. When we had the crisis in '08, '09 we had to shift our focus from helping individuals get into homes but to help them identify individuals to enroll into post-secondary education and small business capitalization.

Definitely another big challenge that we faced in our state has - because we have no state funding we have to always hit the pavement and go out and find identified partners that can provide local match monies for the programs. And then unfortunately in April 2011 we experienced a devastating tornado that devastated some of our communities where our AFI programs were run. So those were some of the setbacks that we had to overcome.

Next slide. How can an organization like yours know if it's a good situation for you to run an IDA program? These are some questions that I would definitely ask and consider. Do you have a local matching funds in place? Do you have partners that are ready to put local match dollars into your program?

Are financial institutions available to host accounts? In some areas of the state being rural we have participants that have to drive anywhere from 30 miles to almost 50 miles to get to a local bank that's participating in the program.

Does your organization have staff to manage an IDA program? You do a lot of multi-tasking when you're working in the IDA program and especially if you're running other programs.

And you want to know who are my financial education partners. You have to have individuals that are going to provide those eight hours of financial education. Do you have a community action agency and community other organization that provides financial education, banking partners and organizations of that nature.

And what's the right size for your program? We - I started one of our first programs with about \$200,000. Then we get another one that was \$655,000. It was huge and it was very challenging to manage. And so we kind of found our niche somewhere between \$150,000 and \$300,000 so definitely finding your niche in running the

program. And if you have additional questions, here is my contact information and I'd be happy to answer any specific questions during the Q&A session. Thank you.

Emily Appel-Newby: Thank you so much Mr. (Brown) for joining us and for sharing the story of how your program operates. And, you know, what I think is illustrative of his presentation is how you wouldn't - of how your program doesn't just look for funding in one place but rather looks for funding across from multiple donors and talks about - and uses one to leverage the other.

So it sounds like maybe you've got an introduction to one funding source from the other funding source. And that's definitely one of the kind of best practices in terms of fundraising that I talk about in the - that we talk about with the fundraising section of the AFI Resource Center.

I'm going to switch over, take an unplanned detour into that - the slides from that webinar about fundraising just so that I can make sure that you get to see those about the - see if I can find it.

So here is a slide that we show, it shows the most common sources of the non-federal funding for AFI grantees and these are listed pretty much in order until you get to the bottom of how common they are.

So financial institutions and their foundations are - year after year are going to be the most common sources of funding for IDA programs. And you can see the reason why this is, you know, it's pretty clear why they would want to be interested because it's, you know, talking about financial matters. And it's a great, you know, opportunity for them to be associated with financial education, they can send staff in to volunteer to teach the financial education courses.

But then there's also some business return on investment for them because it's, you know, if they know about home savers then they're probably going to be in the

market for a mortgage in a few years after they have reached their savings goal. Or, you know, education savers are probably going to need some education loans on top of their IDA to help get them through however many years of school they want to go through.

So again so what's powerful for reaching out to financial institutions is not just to talk to them about supporting the IDA program as a philanthropic endeavor but also is a smart business investment.

And IDA programs all across the country have been able to make this argument to financial institution partners and continue to receive funding from them over, you know, year after year and then to leverage that funding from the financial institutions for funding from other sources.

So (Deforest) talked about state and local government funding and that is a relatively common source of IDA funds. I'm trying to remember, I don't have the slide on here that shows the percentage of programs that receive funding from state and local governments. I think it might be around 50%. But it's not - it's nothing - I don't think it's the majority that receives funding from local government.

So most IDA programs really are patching it together from different private sources, foundations, corporations. But, you know, it's not written in the state budget, you know, as a budget line item that you can trust will be there year after year. I mean, those programs that do have that written in are very strong because they have that, you know, stability even though of course they do have to fight to maintain that funding every year.

But I think it's the kind of thing where probably an IDA program, for most of their experiences they would say that they started their programs with funding from private sources and they were able to demonstrate success getting people through

financial education and all the way through to asset purchase and that was what enabled them to go back to public sources and ask for funding that way.

So just, you know, a little bit more of a preview of this longer webinar that I give about fundraising, we go through the different places that are the most common sources of funding for an IDA program and we talk about what are the kinds of messages that you want to use with them.

So like I said with the financial institutions, we talked about the business case and then the philanthropic case as well as they can get CRA credit. And so we go through that way with a couple of different funders and why they would want to support an IDA program.

So that's just kind of a preview. Now I'm going to skip back to my - the planned - the slides that you have, the planned presentation. And just I want to let you know a few things about the AFI Resource Center, the technical assistance that we provide, and then we'll go into the Q&A for myself or for Mr. (Brown).

So the AFI Resource Center can be accessed online at our website [idaresources.org](http://idaresources.org). We offer outreach workshops and webinars so I'll give you the schedule in just a few minutes. We offer one-on-one technical assistance. If you're interested in talking with myself or one of my colleagues you can just send us an email or give us a call, set that up.

We have a newsletter, IDA Resources Updates, that goes to grantees as well as prospective grantees. And then a very important resource we have is the AFI Project Builder as a guide to planning an AFI project. And that is really - it's a long narrative document that's available on the webpage so it's an HTML or you can download it in PDF.

And it really helps you think through different aspects of planning your project like what match rate do I want to earn, do I want to offer. Do I want to offer a 2:1 match rate and be able to serve, you know, a lot of people or do I want to offer a really high match rate like an 8:1 match but only - but serve a fewer number of people with a higher amount of assistance? So it kind of helps you think through those options when putting together a project.

All right so if you are interested you think in pursuing an AFI grant, the next step for you would be to contact the AFI Resource Center and of course I'll give you our contact information at the end here, and to request a copy of the application kit.

And that includes a copy of the funding opportunity announcement, the current funding opportunity announcement, as well as just details about how to apply including registering with grants.gov which I would assume since hearing you guys are universities a lot of you probably have registered with grants.gov but just in case you aren't.

I would suggest you sign up for some of the upcoming webinars where we'll give you an even more in-depth understanding of the topics. And then begin to build support within your agency for AFI projects including, you know, the fundraising that it will require. Because for every, you know, dollar that you're going to tack on to your participants that involves some fundraising for those non-federal sources.

So it's important to have agency support for the AFI projects. But hopefully with Mr. (Brown)'s presentation you've begun to understand how it all fits together and how it can support your mission.

The application deadlines for this year are May 7 and July 14 so kind of around the corner. But then also in the next federal fiscal year but the same calendar year there's going to be one in October 25.

The webinar series that I talked about, we have a new series starting up in just a few days. You can see there's webinar one, two, and three. And the Developing Resources and Partners, number three, that's the one where I talk about - a lot about fundraising. But there are also recorded versions of these webinars if you want to go through them quicker available on the IDA Resources page.

So I want to - let's see. So here's my contact information or I should say the contact information for the AFI Resource Center. Our telephone number and our email address. And again my name is Emily Appel-Newby and I'd be happy to speak with you but we also have some - two other great technical assistance providers on our team who would be happy to speak with you as well about developing a project.

And so with that I'm going to turn it over to the operator to remind you how to ask questions over the phone, questions you may have for me or for Mr. (Brown).

Coordinator: Thank you. We will now begin the question and answer session. If you would like to ask a question please press Star 1. Please unmute your phone and record your name clearly when prompted. Your name is required to introduce your question. To withdraw your question press Star 2. One moment please for the first question. As a reminder, if you would like to ask a question please press Star 1.

Emily Appel-Newby: Well while we're waiting for questions to come over the phones I'm going to go ahead and answer one of the questions that we received through the webinar Q&A. Someone asked about how and where do we find out about state matching funds.

Let's see, I mean, I would probably start with reaching out to other AFI IDA programs in your state and you can look them up on the IDA Resources website and ask them if there are IDA - if there are matching funds available from state or county sources in your area to support an AFI project because they would probably know.

And if there are not any then I would of course encourage you to check out that webinar about how you could do the process for working to advocate for a state allocation for an AFI project. Are there any questions over the phone?

Coordinator: Yes I am showing there's a question from a Mr. (Rodney James). Your line is now open.

(Rodney James): Yes, I wanted to find out, ask the question about the banks that support these kind of programs in our area. How would I find out about banks that work with these programs?

Emily Appel-Newby: So are you looking - so if you want to find out what banks are currently supporting an AFI project either through funding or through, you know, by holding the accounts or providing financial education, you would have to contact the other grantees in your area to ask them who - to ask them about the support for their program.

Now of course if there are ones in your area that are receiving funding from those banks they might not be as excited to provide the introduction to you because they might see it as competition.

So another way you could go is to look for a project that's not in your geographic area and talk to them about what banks are supporting their project and maybe, you know, find a local affiliate in your area. But, you know, in terms of holding the account we have all sizes of (unintelligible).

(Rodney James): Yes they're still working on it. They have not come to a resolution yet. They don't (unintelligible) and the volume on the (unintelligible) and that's the problem. They just haven't given me a resolution.

Mr. (Brown): If I can chime in, one group that you may want to consider...

(Rodney James): I'm not working on that now. Okay.

Emily Appel-Newby: Operator can you please mute his line for a moment?

Coordinator: Will do, hold on one moment.

Emily Appel-Newby: All right Mr. (Brown) can you go ahead and with your response?

Mr. (Brown): Yes, there are a couple of ways that you can find out about the local banks, financial institutions by contacting the FDIC or the Federal Reserve. They have a list of those financial institutions who are participating. You can also contact your local community development officer and the local financial institution to see if they are participating.

Emily Appel-Newby: Yes that's a great point. But then also I would say just because they aren't participating now does not mean that they are not, you know, potentially interested in participating.

And I would also - the other thing I would throw out is to definitely take a look at financial institutions of all sizes so not just your, you know, household name really big banks but also community banks and credit unions are common sources of support both financial and, you know, operational support for AFI events. So really look at financial institutions of all sizes.

All right I have another question over the webinar that is what programs does the Federal Home Loan Bank offer that can be used for matching. And let's see, so they're - the Federal Home Loan Banks have a down payment assistance program that with, you know, some careful alignment of procedures the down payment assistance can be used to - can be used as a non-federal match on a reimbursement basis.

So it's actually - it's kind of tricky I would have to say. OCS is set to - is planning on releasing guidance on how to set - how to align the procedures sometime this year so about how to align these procedures so that hopefully we'll see more Federal Home Loan Banks jumping on board.

But definitely I can have a conversation with you or set you up with a practitioner who is doing that in - somebody who's doing that in Southern California to talk through that process. That's actually better than me trying to tell you because I'm not sure I understand all the ways that it needs to be lined up but they can definitely tell you. So contact the AFI Resource Center. We can help you, we can help put you in touch with them. Are there any other questions over the phone?

Coordinator: Yes, our next question comes from (Morris Autrey). Your line is now open.

(Morris Autrey): Yes my question is will the unsuccessful applicant for the May 7 cycle have enough knowledge to know that - knowledge that they can apply for the July 14 for the October 25 cycle?

Emily Appel-Newby: Yes great question. I would probably plan on being able to being ready to submit again for the October cycle because the funding opportunity announcement commits OCS to responding about a funding decision within 90 to 120 days so that's three months to - three to four months so that's kind of tight for the January - for the July application round again but definitely more time for the October one.

And the way that OCS reports information about their no funds decision is they share a - whether it's AFI applications are reviewed by a panel of experts in the IDA and asset building field and they're scored on, you know, a scale of 0 to 100.

And so the comments from each of those panelists are shared with the applicant and so they can kind of - they can see where the holes were and how they can

strengthen their application. And then of course the AFI Resource Center is here to help with you as well about how you can strengthen an application.

(Morris Autrey): Thank you.

Emily Appel-Newby: Yes.

Coordinator: I'm showing no more questions in queue.

Emily Appel-Newby: Okay, it looks like I have - it looks like there might be a question from (Deidra Standerlin) but I don't see - I can't see what the actual question is. So she'll either have to type in more or submit a question by phone.

I wanted to understand from Mr. (Brown), I had a question for you which was about the fundraising. What types of messages do you use to your funders about why AFI IDAs are a good investment for them?

Mr. (Brown): That's a great question. One of the things we try to do in around the state is find I call them a community champion and saying what makes this. One example would be our local women's fund. They have a drive and a focus on helping two generational approach of females with children achieve first time home ownership as well as post-secondary education.

And so what we do, we'll contact that community champion and they pretty much - we will bring people to the table and have a discussion on why it's important and how it works with their mission and their goal. And so that's one of the ways that we approach it.

I did want to mention some other types of local match to be utilized for IDAs that they can be a little challenging but they will work and those are CDBG funds,

community development block grants, and so working with some of your local municipalities you can utilize those as local match dollars as well.

Emily Appel-Newby: That's a great point, yes. I didn't point that out from the slides but he's exactly right. Community development block grants are kind of the exception to the rule, happen to be non-federal match.

And CDBG funds are obviously from the federal government originally but they get allocated on the, you know, state, city, or county level and then they're kind of pass through funds. So by that - so they kind of get - they kind of become local public funds because of that allocation process.

But again they are the exception to the rule in terms of there aren't any other federal funds outside of funds that are allocated to tribal governments that can be used as that non-federal match.

We have another question come in over the webinar platform for you Mr. (Brown). You mentioned that they had to find their niche in the program match and can he elaborate on those processes.

Mr. (Brown): That's a great question. One of the things like I said we have to look at the size of your organization and look at the reality of what - how much of a program can you handle, especially if you are running different types of programs already.

What we found is that our organization was that in our collaboration that may have two employees. It may be a benefit for them to enroll four or five individuals in the program which in essence is about a \$10,000 program, local match that can be used.

Because our organization is a little larger than many in the nonprofit area, we have finance department that handles all the back office financial reporting. We have a grant department that writes the grants and manage all the reporting.

But then if you look at a smaller organization that has two or three employees then you're talking about you may have to do all those functions yourself. So that's what I mean about what's your niche, how much can you handle in an organization and understand what's too much and what's the right amount of IDA funding you can manage.

Emily Appel-Newby: That's a great point. And I wanted to reiterate from OCS's point of view but it's more that they're - they're just fine with small applications from new projects who are just kind of getting - want to get their feet wet. The minimum application, the minimum funding award is going to be \$10,000 so it can be a very small program like Mr. (Brown) talked about and there's no penalty for that.

In fact OCS would rather their applications apply for a small amount that they have really a high level of confidence that they can actually spend and get that number of people through the program and purchasing assets than they would that you would apply for a larger amount of money that you, you know, may or may not be able to actually get out the door and to help participants make asset purchases.

So, you know, I threw out the number \$100,000 earlier but don't be intimidated by that because there are plenty of applicants that apply for, you know, like the \$20,000, \$25,000, \$30,000 for - to start up with their AFI projects and then kind of grow from there. So that's - hopefully that's a good way to get into it.

All right that was the last question that I had over the webinar. Do we have any questions over the phone line at this point?

Coordinator: I'm still showing no questions in queue.

Emily Appel-Newby: Okay well that's no problem. We are going to go ahead and wrap it up then. My contact information for the AFI Resource Center is still up on the slide so if you think

of any additional questions for us, you know, as you're driving home today or, you know, as you download the funding opportunity announcement and start to think through it, feel free to reach out to us. As well Mr. (Brown)'s contact information was on the slide for - from his presentation and I'm sure he's be willing to talk with you as well.

And I want to thank Mr. (Brown) so much for joining us and sharing your insight. That really made it a lot more valuable. I think it helped our participants see what a program could look like. And again thank you to Ms. (Wilson) for inviting us and connecting us with this wonderful audience.

Coordinator: Thank you for joining. This concludes the conference call. All participants may disconnect at this time.

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