



## **Matched Savings for Entrepreneurs: Supporting Low-Income Entrepreneurs**

**March 27, 2014, 1:00pm CT**

**Coordinator:** Welcome and thank you for standing by. All participants are in a listen-only mode until question and answer session. After the presentation we will have a question and answer session. You will be able to press star 1 and ask your question. Today's conference is being recorded. If you have any objections, you may disconnect at this time. Your host for today's conference is Shufina English. Thank you. You may begin.

**Shufina English:** Good morning everyone. This is Shufina English. I am the Director of Programs and Operations here at CAMEO -- the California Association for Micro Enterprise Opportunity -- and we are cohosting this webinar this morning with the AFI Resource Center. It looks like people may still be calling in and downloading the required software, but I wanted to go ahead and get started promptly.

But before we start, I wanted to just take a moment to get a sense of who is in the room. I do see a couple of CAMEO members and so what I'd like to do is - I'll just call your name and if you wouldn't mind letting us know where you're located, the name of your organization, and what your title is; and then I'll turn the webinar over to Emily from AFI and then we'll proceed.

And I think right now we have been de-muted -- if that's a word -- and then the operator is going to mute the line again after the introductions. So, first person I see is Jessica Lopez. Are you on, Jessica?

**Jessica Lopez:** I am. Hi.

**Shufina English:** Good morning. Can you let us know where you are and who you're with and your title?

Jessica Lopez: Yes, I'm located in Berkeley, California. I'm the Program Coordinator for A New America. We also have offices in Fruitvale and San Jose and work in Contra Costa County.

Shufina English: Excellent. Thank you for joining us, and I know you're also a recent employee at A New America, so congratulations on your new position, as well.

Jessica Lopez: Thanks, Shufina.

Shufina English: You're welcome.

Okay, and then I have - (Marilyn Garcia) is on. (Marilyn), I believe you're going to be one of the co-presenters as well, but could we get an introduction from you too?

(Marilyn Garcia): Oh yes, of course. My name is (Marilyn Garcia) and I work for Community Action Partnerships Sonoma County. We're located in Santa Rosa, California, and I'm the Program Manager for the Center for Economic Success.

Shufina English: Excellent. Okay, thank you. And we'll be hearing more from you later on.

And then (Wyling Chin).

(Wyling Chin): Yes. This is (Wyling Chin). I'm from PACE. We are located at Los Angeles and I'm the Asset Building Manager.

Shufina English: Excellent, thank you for joining us. And I actually - is there - do you have another colleague from PACE on as well, (Wyling), because it looks like I have - your name is showing up twice on our...

(Wyling Chin): Yes, I was trying to get on and somehow there's some kind of error. No, sorry, I'm so eager to begin.

Shufina English: I get to see you up here twice and now I know it was a little complicated downloading.

(Wyling Chin): Yes.

Shufina English: Okay. And then the CAMEO staff is also on the line - Andrew Cole, our Program Coordinator's online.

Andrew Cole: Hello.

Shufina English: Hi, Andrew. And I think Heidi Pickman, our Communications Director, is online as well.

Heidi Pickman: I am.

Shufina English: And again, I'd just really like to thank Emily and (Ameeta) for reaching out to CAMEO about this resource and I hope it's a benefit to everyone. I'm going to go ahead and turn it over to you, Emily, and I'll be on mute and I guess we'll all be on mute until...

(Yolanda Butler): I wanted to introduce myself.

Shufina English: Oh, I'm sorry.

(Yolanda Butler): My name is (Yolanda Butler) and I'm with Operation Hope...

Shufina English: I just saw you last week, (Yolanda).

(Yolanda Butler): Great.

Shufina English: Thank you. Is there anyone else who is on? I apologize. I know there's some people who are on audio and not on yet, but anyone else who'd like to introduce themselves?

Okay, go ahead, Emily.

Emily Appel-Newby: Thanks so much, Shufina. I'm excited to talk with you and it sounds like we have a lot of enthusiastic attendees today and very glad to hear that you're interested. My name is Emily Appel-Newby. I'm with the Assets for Independence Resource Center and so the goal of the resource center is to provide technical assistance to AFI grantees and then also agencies that are looking to apply for AFI program funding.

A few webinar logistics as we get started here because the resource center is hosting this. We'll be taking questions and answers at the end of the session, but if you have questions along the way, feel free to type them into the Q&A panel on the right hand side of the live meeting platform and we will get those to the right person to answer at the end when we do the Q&A session.

So if any of you have not heard of or are not familiar with the Assets for Independence program, it's a federal grant program that's been around since 1999. It's operated by the Office of Community Services within the administration for Children and Families at the Department of Health and Human Services with a goal of ending inter-generational poverty and increasing family stability through financial education and asset-building.

So, to do so, they fund community-based organizations of different types to run asset-building programs that work with low-income individuals in communities to learn about financial and consumer issues and to save in individual development

accounts -- which are special matched saving accounts. And they're really at the heart of the AFI program, and I'll go into what those look like; but basically if you apply for an AFI grant, it would be to operate this IDA matched savings program.

So this slide shows what exactly this IDA -- or Individual Development Account -- looks like and what it does. So like I said, it's a matched savings account. So there you see that (Vicky) is saving \$2000. She's receiving \$4000 of matching funds, so she has \$6000 of funds to be able to invest in her small business. And so she got those matching funds from the IDA program that she had joined.

Now each IDA program can set their own parameters to a large extent of what they want their IDA program to look like, so this program offers a two to one match. It allows her - matches up to \$2000 of the individual's savings and it gives her up to three years to reach that savings goal. And some are going to insist on a shorter timeline and some are going to have a smaller maximum match that they offer or different match rates.

So that's one of the things that you get to tailor about our project if you decide to apply for AFI funding to start an IDA program for your population. That's one of the good things, is you can tailor it, and that's very much what they're looking for in the application -- that you know your target population well enough to know how it should be designed in order to maximize their success.

So, because I know that most of you on the phone are working with a small business development, I'm going to - actually, let me move on to the next slide. So, common in all of these AFI IDA programs are a couple specific pieces. One is the education and training -- so this includes the financial education as well as asset-specific training. So, financial education -- what you would think of about budgeting and credit and debt and financial institutions, and AFI does not dictate which curriculum you have to use, but rather you get to choose your own. And then asset-specific

training -- so in the case of people saving to invest in small business, this specifically means helping them write their business plan.

A second component that's going to be consistent in all IDA programs is the requirement that participants save earned income for at least six months. So that means from whatever their current source of employment is -- be it full-time or part-time or even their own self-employment -- they have to make regular deposits for at least six months before they're eligible to receive a payout. But like we saw with the case of (Vicky), it could go up to something like three years.

Then, of course, the matching funds and the savings have to be used specifically to invest in an asset and they can be used for first-time home purchase, higher education or job training, or investing in a small business. And that's what we'll focus on today.

And then a fourth common component is the fact that IDA programs pretty much always require partners, whether it's the financial institution that is going to hold these Individual Development Accounts -- because they are regular bank savings accounts; or whether it's a referral partner that sends people your way because they know that they're interested in starting a small business and would be eligible for the IDA; or whether it's a community-based service provider partner who maybe already offers financial education and you don't offer financial education, so that's something you can tie into easily.

So when you're thinking about if the people in your program would be eligible for these IDA accounts, you want to think about, first of all, the eligibility guidelines which are basically - if their household is under 200% of the federal poverty level -- so that's about \$40,000 for a family of four - a little bit more than \$40,000. And then you also want to take a look at the allowable uses of the IDA funds, which are showing on this slide here. I'm just showing the ones that are allowable for small business, but you want to make sure that what they need to and spend money on in

order to get their business started aligns with what the allowable uses are here. But I think it's pretty broad, so pretty much anything that they would want to invest in their business probably would be an allowable use, but you want to look at the details of that.

So the benefits to your Micro Enterprise Development Organization of partnering with AFI is it'll strengthen your operations as a program and it will also help your individuals become financially stable for their household finances, and then build on that for their business finances. So it connects entrepreneurs with immediate source of capital to start or grow their business. Obviously this IDA is the source of capital. It's equity capital. It doesn't have to be repaid, and if you think about it, it can be a source of the equity that can be leveraged for further loans from you guys as micro lenders or from other sources.

The financial education and the savings requirement helps to establish good money management skills and the skills of saving regularly towards a goal, if that's not already a good habit that they have that, obviously, is going to help them both on their business side and on their personal finance side.

And then we do believe that -- and we've heard from previous grantees -- having an IDA program increases the effectiveness of microenterprise programs and the success rate for entrepreneurs. And we'll talk - I'm going to go through now how that works.

It's basically - you can find ways to make the IDA program participation a prerequisite for your - integrate it with your small business development program and then especially if you run a microenterprise loan fund. Definitely weave it into that. So, what we're looking at - what I'm thinking of there, specifically, is if you're running a micro loan fund and you're working with people who have very poor credit, can you enroll them in the IDA first and have them save, have them demonstrate an ability to make those saving contributions every month and use

that to qualify them for the micro loan if their credit score is not something that would qualify them. Otherwise it's going to be a way for them to demonstrate credit worthiness.

Another way that you could do that, if you don't want to use it to demonstrate credit worthiness, perhaps you could influence your micro loan terms and interest rates based on their participation in the IDA program. So, again, if they've been participating with the IDA and saving regularly, perhaps you can offer a slightly lower interest rate or maybe you can allow them to apply for a higher dollar amount of funds because they have that established credit worthiness. Or you could take that into account in the loan review process.

So that's some examples of how - of the benefit to a microenterprise development organization partnering with AFI and bringing an IDA program to bear for your clients.

So one thing that you may be consider is - do I have start my own IDA program and apply for an AFI grant or can I partner with one? And you can certainly partner with one if you can find one that is available and is accepting new clients and that specifically focuses on the population that you're interested in and offers the asset goal that you're interested in.

Because we try to be flexible with what grantees can do with their funds, not all IDA programs necessarily allow small business as an allowable use. It's up to the grantee which asset goals they want to support people in. So, you'd want to go to this link I've shown on the screen here -- [ldaresources.acs.hhs.gov/map](https://ldaresources.acs.hhs.gov/map) -- and then look at California and then zoom in on your region and see who's in your region who's offering - operating an AFI program, and then get in contact with them and see if they have room available in their program and maybe you can set something up. But then if that doesn't work out -- if they don't have room or they don't have new

slots or they don't work with small business savers -- then I would definitely suggest that you consider starting your own AFI IDA program.

And so I'm going to spend a couple more minutes here about what that looks like, to operate your own AFI IDA program and then (Marilyn) will share from her point of view as a microenterprise development organization, what it's been like for them to operate an AFI IDA program.

So on the screen here we also have the types of organizations that are eligible for AFI funding to start an IDA program and I assume most of you are 501c-3 non-profits, but others groups can join or can receive funding when they partner with a 501c-3 non-profit.

So then other responsibilities for operating your own AFI project include designing the program or project in the first place -- what it's going to look like, the max rate you're going to offer, the total savings amount, the savings that participants can save and that will be matched, and then of course applying for the AFI funding.

At the same time as you are applying for the AFI funding, you also need to think about the required non-federal cash commitment. So I'm going to skip forward to this slide about the non-federal cash contribution. This is really intimidating for a lot of people who are thinking about starting AFI IDA programs, but we definitely have a lot of grantees out there so a lot of people have figured out how to overcome this and hopefully, through the technical assistance that I can provide and the other TA providers at the resource center can provide, we can figure out how you can tap into funding to support your program as well.

So the gist of it is that it's a dollar-for-dollar match of the federal grant in case. So, for example, if you're going to apply for a \$20,000 AFI grant, you have to raise \$20,000 of non-federal funds to support the project. It has to be in cash so this cannot be an in-kind amount, and then you're going to put both your federal and

your non-federal funds into a bank account that we call the Project Reserve Fund and that's where you're going to pull the matching funds for the individuals. So going back to (Vicky) where she saved \$2000 and received \$4000, that pool of funds is where that \$4000 comes from. That's what 85% of the funds has to be used for and there's a margin of 15% that can be used for salaries, training, data collection, et cetera. But generally the understanding is that a lot of groups who apply for an AFI grant already do a lot of the work that's involved in operating an IDA program in that you're probably already doing business plan development assistance; you may already be doing financial education; you're definitely already doing case management. So, really, if you think about it, there aren't going to be too many additional new areas of responsibility. Rather this is going to be another layer - another type of program that your existing case managers and existing financial control officers will already have to think about.

So, again, going back to some of the roles that you will have split up among your staff in order to successfully operate an IDA program. You have to have somebody working with the financial institution partners - the financial institutions that are holding the Project Reserve Fund and the IDA counts, because like I said they're real, actual savings accounts. You'll have to publicize the IDA program and then screen and enroll participants. Someone will have to provide participants with case management and connect them to other asset-building services like free tax preparation.

And something that AFI - that OCS -- the Office of Community Services -- feels very strongly about is the idea of somebody - an organization that's offering an IDA program - not just offering an IDA but helping people access or strengthen their financial management in a couple of other ways that's going to lead to increased success with the IDA program. So, for example, if you're working with low-income people who are eligible for the Earned Income Tax Credit but they are going to pay the tax preparers to get their tax returns done -- well, you probably know that's \$200, \$300, or even more that they're paying to those preparers that is going to be

money out of their pocket that they could instead be doing something to help further their goals and start their business with. So we see the role as an AFI grantee is to say, "Hey, why don't you think about going to a free VITA site -- the Volunteer Income Tax Assistance site." That may be something you already do, which again would make you a great candidate to run an AFI program because you already have a sense of that; but if not, we definitely have information about the different services.

I'm not trying to - I haven't listed out which services specifically, but they're pretty basic things like referring people to VITA sites, referring them to credit counseling, referring them for public benefits screening, and again the financial education piece. So, again, this all does not have to be done by your organization, but by partner organizations is totally fine. So that's where the use of partners comes in.

So again, more on the responsibilities of operating your own AFI project - again, this is providing the financial education and the asset-specific training or finding a partner to if you do not yourself; managing the project finances, which of course is just part of grants management; assisting participants with opening their IDA's and then monitoring their savings withdrawals, making sure they're staying on top of their deposits and that they use their withdrawals for an allowable use; and then actually assisting them with the asset purchase.

There are specific regulations about how the asset purchase needs to be done, but basically the money does not get paid to the individual saver. It has to get paid to the third-party vendor of whoever it is that they're making the investment with. And there are some exceptions to that for small business just because in some cases you just need it for operating capital, in which case they can put it into a bank account that has the company's name on it so that you know that it's restricted just for the use of operating capital for that business.

And then finally, there's a matter of, of course, reporting to OCS and other funders about the status of your project.

Alright. Those were the big picture points about operating an AFI IDA Program that I wanted to go into and so, I want to give you the chance to hear from (Marilyn Garcia) who is at (CAP Sonoma) and they've been operating an IDA Program for a couple of years now and to give her the chance to talk to you about this, the ins of operating an AFI IDA Program. So, with that, (Marilyn), will you take it from here?

(Marilyn Garcia): Yes. Of course. Thank you for the introduction. Okay. We have been having the Individual Development Account Program since 2003 and I just started working for Community Action three years ago but I have been running this program since I had started working for the agency and I can say, since we got the first client, we have been doing this program - first of all, I mentioned I work for Community Action in Sonoma County.

The community action is a designated community action (unintelligible) for the county of Sonoma since 1967 and the agency mission is to collaborate with low to moderate income individuals and families to help them to achieve economic and social stability, to build community and to advocate for social economic justice. The goal of the agency is to reduce poverty in the county of Sonoma and to benefit the disfranchised using the best factors and evidence state programming. Next slide please.

So, one of the reasons why we decided to have an IDA Program in the county is because there's no other agencies in the county who have this program and even I don't think there's any other agencies that have this program in Montecito County because we get a lot of phone calls from the county asking if they can participate in our program but this program is only offered to our county residents. In order to qualify for this program, they need to be residents of Sonoma County.

So, this agency has a variety of programs ranging from housing services. So we offer - we have two different apartment complexes that offer low income housing. We also offer help with rent and deposit assistance for people that are in need of one month deposit assistance or are having a hard time paying the rent on time. So we offer that. We also have a variety of programs for youth and neighborhood services. We also have the Head Start, an early (inside) program and also, along with that, we also offer childhood, early childhood education programs and of course, in my department, we offer asset development programs such as financial education. We also offer, of course, the IDA Program, micro business development services.

We offer classes for people that want to start their own business. Along with that, we also offer one on one mentoring for our students who need more support and we also offer financial help along with individual development account but we also are in partnership with one of the biggest credit unions in the county to offer micro loans. We also -- since you were talking about the VITA Program -- we also offer the VITA Program which is the free income tax assistance program and this year we have already filed almost 350 returns.

So, one of the reasons we decided to implement the IDA Program is, like I said, there's no other programs in the county and we see that a lot of people need it. So, what we do, we teach the financial education classes and that's one of the requirements for our clients to apply for the program. They need to complete the seven weeks of the personal financial education classes and people again, also have the option of completing the micro business development classes instead which is the 15 week session. Next slide please.

So, how this program - like you already mentioned, every agency has the option to design the program to fit their needs and for our agency, for Community Action Partnership of Sonoma County, what we do, applicants can save after one - so, we offer the program for, like you say, it's for three different options. One is for home

buying, the second one is for education and we also do IDA's for people that want to start or expand their own business.

So, for people that want to buy a house, they can only save up to a maximum of \$1,000. For micro business development, it's a maximum of \$2,000 and for education, it varies. You can be at either \$1,000 or \$2,000. It's only \$1,000 for people that are attending a community college or technical institution and \$2,000 is for a four year university. The max also ranges depending on the purpose of the program.

So, for people that are thinking about buying a house, the match is four to one. So that means the client is going to save \$1,000 and the agency is going to give them \$4,000 more so at the end they have \$5,000 for either the down payment or to make payments on their new home. For micro business development, the match is one to one. So the client is going to save \$2,000 and then the agency is going to come up with \$2,000 more so at the end, the client is going to have \$4,000, like I said, to either start or expand their business and for education, this also varies.

The match is either one to one or two to one. So the two to one, it's when the client is below the 100% poverty level and then the one to one is when the clients income is between 101 and 200% of the poverty level. So, if it's one to one, some people save \$2,000 and then the agency gives them \$2,000 more but if it is two to one, they save \$2,000 and the agency is going to give them \$4,000 more so at the end they have \$6,000 and we're thinking about doing the same thing for business we see that starting a business is so expensive so they need more than \$4,000 and we see that \$6,000 is going to help them a lot more than \$4,000.

Like I said, the rules can also vary. So every agency has their own rules. In our agency - so the clients - in order for the client to use their money, to use their match, they need to save for at least six months. So they cannot use any money before the six month period and they only have two years to spend the money. So

that's the maximum time they can save for the IDA Program. If they don't use the money within the two years, they're going to be losing their match but the money in the bank, the money that they had been saving, of course, is there so they can just take it out but unfortunately, after the two years, they lose their match and that's on the contract. Next slide please.

Some of the services that we provide to our clients -- like I already mentioned -- we provide the financial education classes. So, in order to participate in the program, one of the requirements is to either complete the financial education classes or the micro enterprise business development classes and even people in the community who are not thinking about applying for the IDA (unintelligible), the financial education or the micro business classes and this is offered in our office and they're offered in both English and in Spanish because we have a high population that only speaks Spanish.

Once people get into the IDA Program, we provide case management for these clients. So, if they live still in the county, of course, we do one - we do in person mentoring but if - a lot of people -- especially when they're saving for education -- they go to school somewhere else so it's impossible for them to be coming every month to the office to meet with us. So we just do phone calls, phone conference. That's only to make sure that they're making their monthly deposits because that's another one of the requirements that they need to be making a monthly deposit of at least \$25.

So, if they miss three deposits or more, they're out of the program and they know that because they sign a contract but just to make sure that they are making the deposits, that's why we do the case management to make sure they're on track. Also if they are having personal issues or issues with the school or people are saving for a business, we can help them with that as well.

So, when the client is ready to make a purchase, they just either give us a call, send us a letter and tell us that they're ready and we complete the paperwork for them. All they need is sign the paperwork and they can go to the bank or we can go to the bank with them to get the checks and like I said, the checks are always payable to - if they're saving for education, to the university or the bookstore if they're thinking about buying books, buying a computer or even when they have their own business, we never make checks payable to the client. It's always to the vendor or a third party but it's never payable to the clients.

We usually spend about 10 hours a week working on the IDA Program especially right now that we don't have a lot of clients but it takes a little bit longer when we have to submit the progress reports or the data reports. So, the progress reports are due twice a month, twice a year. So it's every six months we have to submit the progress report just to tell you guys how we're doing and then we'll submit the financial report that comes from the (physical) department just to tell you guys how much you have to spend, how much money is left and how we're spending the money and the data report is only due once a year but it takes a lot of time to complete. Next slide please.

Okay. So, we have different partners but for the financial education classes, we partner with one of the local high schools which is Russell University Prep and what we do - it's once a year or twice a year, it varies. We teach financial education classes at the high school for their students. So they sign up. So we go to the school and teach the class. Usually we teach three to four classes per year and once the students complete these classes, they can apply for the IDA Program.

Unfortunately, a lot of the students are not eligible because of the income limits are so low and Sonoma County is so expensive. Like I already mentioned, we partner with our (CEU) (unintelligible), the biggest credit union in the county and they're going to be providing micro loans for our micro enterprise business development of students. So, they are providing \$1 million. They're setting aside \$1 million

exclusively for our clients who successfully graduate from the program and in order to qualify for a micro loan, the client needs to complete their 15 sessions of the class which - Like I said, they meet once a week for three hours. So they need to complete at least 12 of the classes. They also need to pass a final exam that we have decided that includes information from all the 15 sessions and they need to pass this final exam with at least 80%.

The final requirement to be eligible for this micro loan is to complete a full business plan and that's the hardest part because a lot of people just can't do it. So that's why we provide mentoring to help them, to give them the support that they need to complete their business plan. The micro loans are going to range from \$5,000 to \$15,000 and this is a new program, so we just have two students that are good and ready. They're working on the business plan to be the first ones to apply for these micro loans.

We have also partnered with local businesses and foundations to help us fund the IDA Program because we get - usually we just have one grant at a time and right now, we have a client that is going to expire on May 31 of this year but we already have a new grant for \$50,000 and that grant, we decided, to change the format and just fund businesses because we're teaching business classes and this program is so popular that we have a high demand for businesses and it has been very difficult to get funding for education or home buying and we have a lot of people that want to give us money to support our micro enterprise business development program and that's why we decided to change it and just fund businesses for this plan. So hopefully in the future, we can get funding for education and home buying. Next slide please.

Okay. So this program has been very popular. We haven't had any trouble getting clients. We get a lot of applicants and most of the time, we have more applicants than we have funding. So we don't really need to do a lot of outreach. I think because we have had it for so long and it's on our website and a lot of people know

about it, so we get a lot of phone calls and a lot of interested people that want to apply for the program and like I said, since we're teaching the class and I run all these programs, I always tell my students that are taking my micro enterprise business development class, I always tell them about the individual development account program and a lot of them are interested. Like I said, the only issue is the income limits are so low that most people don't qualify for the program but we do have a lot of people that are eligible.

We have got in a lot of funding for -- like I already mentioned -- for the micro enterprise business development program because we offer the IDA to our clients and I know that it's a big issue for a lot of people that have bad credit or don't have collateral or just really hard to just get a loan from a bank. So that's why this is a great program. It's another option for those people that are not eligible for a bank loan. Next slide please.

One of the - I think the biggest challenge that we have had is right in the private match and I think that has been the issue for a lot of agencies. That's why we only request \$50,000 every time because I know if we ask for more, it's going to be really tough to get the match and if we don't get the match, of course, we're not going to get the federal funding. So, we do a lot of outreach in the county and then we have a person who's in charge of raising the (nation). So she's working really hard to get the match and, like I said, once we (unintelligible) and they say that they're willing to give us the match for the IDA because they know that a lot of clients are not going to qualify for a micro loan because we do have a lot of undocumented people that cannot apply for a loan.

For them, the only option is the individual development account program. Like I've already mentioned, most people are not interested in funding the IDA for home ownership or for education and that's why we decided to just focus on business, at least, for this current grant that we have. Next slide please. Okay. That's all the

information. If you have any questions, let me know and that is my contact information.

Emily Appel-Newby: Thanks so much (Marilyn). That was really interesting to hear how you have - how you're focusing your program in through the years on what's working, what's in demand and it's really great to know that there's alignment between where you're able to find funding for the micro enterprise and that's what people actually have demand for. That's just a happy coincidence that it's working out like that because I'm sure it doesn't always but it's good.

(Marilyn Garcia): Yes. The thing is they know that if we invest in our community - if we have more micro businesses, of course, the economy is going to grow and that's why they're focusing on micro business instead of education and home buying.

Emily Appel-Newby: From the funders point of view?

(Marilyn Garcia): Yes. Exactly.

Emily Appel-Newby: Okay. So, I hope that that gives you some hope that there is a possibility of doing the fundraising and give you an idea about how valuable this could be to many different groups of your borrower or of your small business participants and then, I think another great point that (Marilyn) made was about the undocumented participants who may have trouble getting loans otherwise is a great opportunity as well.

So, I'm going to just go over -- in the last few minutes that we have before we switch over to the questions and answers -- just quickly about some of the resources that we have available on our website. Our website is [idaresources.org](http://idaresources.org) and so, we have work and we have webinars like this one and then we have standing webinars that cover the nuts and bolts of putting together a program, how to prepare an application and submit an application and then fundraising and then using

grants.gov and those are on our calendar for you to sign up for or you can listen to recorded versions.

We offer one on one technical assistance. So if you call - if you contact the resource center, you can talk to myself or one of my colleagues and then we have a great resource that's called the (acting) project builder and that's like a written narrative version of the materials that take you through how to put together and AFI project. So, if this sounds like the AFI idea of something that would of interest to you, I would encourage you to set up a call with the AFI resource center and request a copy of the application kit, sign up for upcoming webinars and then begin to build support within your agency for an AFI program because obviously, with the fundraising and the additional staff responsibilities, it's going to need everyone to be involved and on board with it but hopefully this presentation gives you the information you need to make the case about how this can really be helpful to the entrepreneurs you serve.

So, the slide I'm putting up now is the contact information for the AFI resource center. Again, my name is Emily Appel-Newby. So you can ask for me but I also have two great TA provider colleagues who you can also talk to as well and with that, I'm going to turn it over to (Arlene) to remind you how to ask questions.

Coordinator: Thank you. At that time, we will be the question and answer session. If you would like to ask a question, press Star 1. Please unmute your phone and record your name when prompt. To withdraw your question, press Star 2. One moment please for our first question. Once again, you can press Star 1 and you can ask a question. Thank you.

Emily Appel-Newby: Well, I actually had a question for (Marilyn) and while we're waiting for other people in case they have any questions and that was are you mostly finding that the people who use the IDA's are then go on to get a micro loan or is it more of an

either or situation where because they don't qualify for a micro loan or don't want to take one out, instead that they're going to the IDA?

(Marilyn Garcia): Yes. Most people that qualify for the IDA Program do not apply for a loan. Yes. They're afraid of the bank industry.

Emily Appel-Newby: Yes.

(Marilyn Garcia): Yes and they - like I said, some - we - in the past, before I came to the agency, they were focusing mostly on education. So I would say about 90% of the IDA's that they funded were for education but once I came in and with this, the micro enterprise business development program, it's new. We started it a year and a half ago.

Emily Appel-Newby: Okay.

(Marilyn Garcia): So that's - yes. We only had one IDA out of 50 that was for business and how, like I said, we're changing the direction completely. We're focusing mainly on business and, like I said, the reason why is because we're teaching the micro enterprise business development classes and this is just growing and growing and this program, like I said, it's new but it's so popular. We teach five or six classes a year and it's a 15 week course and we're getting calls pretty much every day of people that want to take the class. It's just amazing how fast this program has grown.

Emily Appel-Newby: Right. Yes. How many people do you currently have enrolled in the IDA Program?

(Marilyn Garcia): Right now, like I said, this grant is ending on May 31. I just have four people left but we already have 11 applications for the new grant.

Emily Appel-Newby: Okay. Okay. All right. So it's 15 more or less.

(Marilyn Garcia): Yes.

Emily Appel-Newby: Okay. Do we have any questions over the phone line?

Coordinator: Ms. (English), I'm sorry there are no questions in the queue. However, if you have a question, please do not hesitate to press Star 1. Thank you.

Emily Appel-Newby: Okay. No. It's okay. We'll go ahead and wrap this up then if people don't have questions. This is a lot of information that I threw at you but you have the slides, you received them this morning with the call in information and, of course, you have my contact information here at the AFI Resource Center as well as (Marilyn's) contact information there at (CAP Sonoma) and so, I want to thank her so much for participating in this call and sharing her wisdom and experiences and hope that it inspired everyone on the call and if you have any questions as you're driving home tonight or as you open up our website and look at it some more, feel free to reach out to me and thanks also to (Cameo) for putting this together and getting the word out.

Coordinator: Thank you everyone. Thank you. That concludes today's conference. You may disconnect at this time.

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