

# How to Apply for a Native Asset Building Initiative (NABI) Grant

## June 12, 2014

### Transcript

**Christopher Bernal:**

Thank you for joining us this afternoon on this webinar on how to apply for a NABI grant. My name is Christopher Bernal with the AFI resource center and I'm just going to do a couple of housekeeping items before we launch into the thick of the presentation.

If you're having issues connecting with the audio, don't worry. Just listen through your computer by connecting speakers or a headset to your computer. And if you're still having some technical difficulties, contact me via my email available on the screen ([cbernal@cfed.org](mailto:cbernal@cfed.org)).

This webinar is being recorded and will last for one hour and fifteen minutes. To ensure sound quality we've muted everyone. But don't worry, you can still ask questions by typing it into the little box that you see on your screen there. It should be on the right on the GoToWebinar interface. If you type in the question during the presentation, if it's a technical question I can discuss it directly with you and if it's a question for the panelists we'll save it for the end.

So with that said let's introduce our panel with us this afternoon:

- We have Amy Shir who is going to be our main presenter with the AFI Resource Center
- We also have Christina Clark, Program Specialist with the Administration for Native Americans
- Heather Wiley Program Specialist with Assets for Independence.
- And myself, also with the AFI Resource center.

With that being said, I'll turn it over to Amy who's going to walk us through the bulk of the presentation.

**Amy Shir:**

Thanks so much Chris.

So everyone I will just go ahead and provide the agenda for our webinar while it's being loaded. There's a diversity of attendees on the call today so we want to cover all of our bases. The first thing we'll be doing is providing an asset-building overview for those of you who are new to asset-building. We really welcome you to the conversation, it's a fabulous field. And really, asset-building really breaks the inter-generational cycle of poverty and these grants are very powerful.

- Then we'll be providing a NABI overview, which is the Native Asset Building Overview
- Then we'll go into the nuts and bolts of the application itself; what the requirements are, what the format of the application is, how to submit it, when to submit it.
- And then we'll have questions and answers from our two program specialists from ANA and from AFI.

**So let's start with the asset building overview:**

Asset building is a strategy that helps low-income people move towards greater self-sufficiency by accumulating savings and accessing long term resources.

It really occurs on a community level through the creation of institutions or projects that enable the community members to engage in savings and access capital and create assets.

Some asset building tools you might be familiar with, some maybe less familiar, and there are other assets as well, especially in Native American culture, such as clean water, land, etc.

Asset building tools include the Earned Income tax credit, financial education, as well as community development with financial institutions that provide access to capital for small businesses at much lower interest rates than a traditional financial institution would. Children's savings accounts, retirement plans and education is, in and of itself, an asset, so we strongly promote post-secondary education attainment. Other assets include home ownership, small business development, and IDAs (Individual Development Accounts).

There are two portions of a NABI application, the AFI portion and the SEDS portion.

There is flexibility on the SEDS budget to include support for asset building tools that fit the particular needs of the community you wish to serve.

**What is an Individual Development Account (IDA)?**

They're matched savings account held by low income individuals for designated purposes.

For the purposes of the NABI project these are: Post-secondary education, first time homeownership (which is defined as owning a home without having owned a home in the last three years), and small/micro-business development or expansion. These IDAs can be opened by a legal guardian or spouse and transferred over to a youth dependent or a spouse.

When you're looking at the IDA design considerations, there are several things to think about. What is the savings goal, and how much might that cost in your community? So if we're looking at a post-secondary education at the local community college, how much will the annual tuition be? What are the fees you could cover for students?

You will be setting a match rate for what participants will save. The match rate for the Federally funded portion of the AFI IDA may be up to 8 dollars for every dollar that they save (there is a cap and we'll talk about that).

Another key design feature, and one of the most important, are the partnering financial institutions that holds the IDA savings accounts, and also holds the project reserve fund. They could be the same institution or different ones. More than one financial institution may hold AFI IDA accounts. A Memorandum of Agreement will establish what the partnerships will provide to the project. You will establish a participant savings plan agreement, and that is the contract that the IDA participant signs with your organization and highlights what you're going to do, and what the participant will do in accordance with your program procedures.

A requirement of the NABI-AFI portion of the grant is the provision of financial education classes. You are not required to use any specific curricula, there are hours that are defined, you want to use the best fit of curricula. It could be in-class or it could be virtual through an online program, or a mix to ensure the financial education best fits your community.

And the same thing is true for asset-specific classes. These are not requirements of the AFI legislation, but it's highly recommended. For example, if you have someone interested in a first-time homebuyer purchase, your agreement with the participant might be that they access home ownership and homebuyer classes. Prior to opening an IDA, it is important that they understand what the bank criteria are for accessing a mortgage, and how their credit score might relate to that criteria.

Many of our grantees provide tax services, and household that qualify for the Earned Income Tax credit this past tax year and that have \$10,000 or less in household assets are Eligible participants for a NABI-AFI IDA. Tax time is a really good time to look at how you can help people carve out a bit of their tax return or tax refund to deposit into their IDA. It's a great time of the year to be able to save.

Peer and personal support is provided by a NABI grantee.

And of course the asset purchase.

You want to consider the location, the accessibility and services provided by your financial partners so that your partnership is successful.

Some of our financial partners are virtual financial partners, and that might be very helpful in a community where there might not be a physical branch within miles and miles. Based on current NABI projects this could potentially be a challenge. That's where the peer and the personal support services really come in to motivate participants and provide continued engagement.

All of this ties in to motivate participation from savers. A lot of our grantees are now texting on a regular basis, they're emailing, they're sending out newsletters, to keep those communications going.

The next slide talks about the AFI IDAs. AFI requires that the participant contributes only earned income to the IDA savings account. Then, matched funds that are obligated come into the process. Participants don't receive this match directly, so participants can't use these funds. The cap on NABI-AFI IDA matched funds is \$2,000 per individual (\$4,000 per household). The grantee may choose to match more than \$2,000 but AFI legislation requires that the grantee match the funds dollar for dollar in cash match. .

When purchasing the asset, note that one requirement is that an asset purchase or a withdrawal cannot happen in less than 6 months' from the date the participant has made their initial deposit into the IDA. When an IDA is opened, it starts a timeline of 6 months during which your program should encourage regular savings and provide financial education (keeping in mind you can start offering that before they open the account as well). After the 6 months they may request their first withdrawal to the purchase of an eligible asset of post-secondary education, to capitalize a small business, or to purchase a home as a first-time homebuyer. All eligible purchase may need multiple withdrawals. In cases such as higher education or a business they don't have to request one single withdrawal, so keep in mind that there will need to be a system in place for multiple withdrawals by participants. Homeowners in particular are an example of a special timeline, so keep that in mind as you prepare your application.

### **NABI asset building initiative overview**

First we want to tell you that the Funding Application for 2014, what we call the FOA (Funding Opportunity Announcement) is now posted on Grants.gov and these applications are due July 10, 2014. I'll talk about that a little later in the presentation.

So what is NABI? NABI combines complementary funding streams from two Administration for Children and Families (ACF) offices: the Office of Community Services (OCS) offers the Assets for Independence (AFI) and the Administration for Native

Americans (ANA) offers the (SEDS) program, to fund a single project that implement a comprehensive asset building strategy.

NABI grantees receive two separate grants, one is the AFI grant which provides the funds for the AFI matched savings program, and SEDS which funds additional asset building strategies, as well as program administrative costs. Both have specific legislative requirements that must be followed.

You will want to review that FOA very carefully. This presentation as well as a link to the FOA will be hosted on the AFI resource center website, and the contacts can send this to you as well if you request it. You will have these slides and all of this information available to you for review, no worries.

**NABI Focus areas:**

NABI projects include: the AFI IDA component to build assets among lower-income community members. It builds individual, family, and community stability.

It also builds your organization capacity to develop assets and increase community access to assets amongst your community members, so it's a holistic project that builds access for the community. In terms of the NABI-AFI Funding, at least 85% of the AFI budget must be allocated to the participant match. I'll show you some math a little later, about how that works.

Participants are matched by the amount they save.

Additionally, for every dollar of the federal funding from AFI your organization receives, you are required to place a dollar cash into what we call the project's reserve fund to be able to leverage that dollar of federal funds. The reserve fund is a physical account tracked by your internal fiscal systems within your organization. As the grantee, you must be able to track the non-federal match has been received and deposited into your accounting systems, before your drawdown any of the NABI-AFI grant funds.

The NABI-AFI is a separate grant award that is a five year budget and project period. You should know that the average AFI request is approximately \$150,000 over a five-year budget period. This amount may vary depending on the size of your community, of your target market and of the capacity of your applicant organization.

NABI SEDS funding can be used to support IDA operations and other asset-building activities. The match can be cash or in kind, and be 20% of the total budget. There are 5 budget periods for a five year project. There is a \$250,000 ceiling per budget period. The average SEDS budget request is approximately \$180,000 per year, each year for 5 years.

**Eligible NABI Applicants:**

Federally recognized tribal governments or Alaska Native villages that are joint applicants with a 501(c)(3) Native nonprofit organization or Native 501(c)(3) nonprofit serving Native Americans or Native nonprofit organizations designated by the Secretary of the Treasury as community development financial institutions (CDFIs) or Native nonprofit credit unions designated as low-income credit unions by the National Credit Union Administration (NCUA) are welcome to apply to NABI.

The FOA includes additional information to describe how tribal governments, tribal colleges and other non-profits may apply. See section 3.1 of the FOA and ask additional questions to the contacts that we'll provide at the end of the webinar.

There are exceptions regarding the ANA award limitations:

- An applicant is exempt from the two consecutive funding periods award limitation (and we can talk about this with a staff person also).
- An applicant is exempt from the number of awards under a single CFDA number award limitation.

These exemptions allow current ANA SEDS and SEEDS grantees to be eligible to receive grant awards under the NABI program. However, current NABI grantees are NOT eligible to apply for this round of the NABI grant, but they are eligible to apply for stand-alone AFI grants.

**Recruiting participants:**

If I were to get \$8 dollars on my \$8 dollars savings, I can quickly add up to, say, get \$2,000 dollars to go to Community College. You now think: "We'll build it and they will come" since this is such an incredible program. But that is not always the case. We need to market it well and make sure it meets the needs of our target market.

**Some critical issues regarding recruitment of IDA participants:**

Eligible participants for AFI include members of households eligible for TANF. If they're eligible for TANF, they're eligible to become a participant for the AFI IDA under the NABI grant. Note that only earned income may be deposited into an IDA, therefore once the Eligibility of a participant is determined, they will also need to demonstrate that only earned income is going to be deposited into those IDAs. There has to be proof of earned income and that that's the money that will get deposited in their savings account.

Members of households with gross incomes at or below 200% poverty level or eligible for the federal EITC plus a net worth calculation that the household net worth is less than \$10,000 are also eligible to open an NABI-AFI IDA. AFI will assist your organization by providing technical assistance through the AFI resource website to tabulate net worth, calculate a participant's eligibility, and any other questions you may have regarding eligibility.

A ready saver is a person who meets the eligibility guidelines and has some earned income to deposit into their IDA. To know who your ready savers are, prior to writing an application for NABI, is very, very important for the planning and implementation of your project. The AFI request should be based on identified ready savers that will be identified and maintained by the project. And remember that 85% of the AFI budget must be used to match the IDA.

**Critical Issues:**

The AFI dollar for dollar match can take a while to cobble together all those hard and fast commitments for the NABI application. You need to be able to demonstrate that cash match in the application. Where is it coming from? What are the amounts? When are you going to have access to it?

Some examples of sources for the non-federal share are:

- The Community Development block grant.
- The Indian Community Development Block Grant.
- The Native American housing and self-determination act fund.
- The Indian self-determination and educational assistance act fund (638 funding).

Those all qualify as Non-Federal share that you can then match to the corresponding federal share.

Additional sources may include tribal housing authority funding, tribal scholarship funds, and private foundation funds. When approaching contributors it is important to convey what you're trying to accomplish to generate support for the project. There's a great NABI brochure that may help you describe the opportunity for which you are seeking the match on the Resource Center website.

Another good source of non-federal share is financial institutions. They have been a long-standing source of funds for AFI projects.

Some critical issues: The financial institution is one of your key partners. You're going to need an agreement submitted as part of the NABI application. AFI requires that the participant IDAs must be maintained in one or more federally insured financial institutions (or, if unavailable, state insured institutions). This can include both banks and credit unions. For your application you will need a signed agreement with your partner financial institution or institutions, and your agreement should address both the participant IDAs, whether these are custodial accounts, how they will be set up, and if they will be non-fee accounts. Also you'll talk about your project reserve fund in the narrative of the application, where that's going to be located and making sure that it meets the AFI requirements as well.

Some critical issues: you're going to want a target for each of these 5 performance measures.

- The number of IDAs that are open.
- The number of individuals that have completed their financial education training.

- The number of individuals that have completed their assets purchases.
- The amount (non-cumulative) for purchases.
- And the amount of non-federal share cash that will be deposited annually into the project reserve fund.

**Let's move on to the application process:**

Here are some key proposal requirements. The FOA requires that one project narrative and two budget presentations are included for the SEDS Budget and the AFI budget.

The NABI applications have two 424A displays: the SEDS first-year budget period and an AFI 5 year budget period. So remember that SEDS has a first-year budget period and AFI has a 5-year budget period.

**And some key proposal requirements:**

You need to demonstrate 3 SMART objectives and at least 1 IDA focused objective. So SMART: Specific, Measurable, Achievable, Relevant and Time-Bound.

The next slide is important: This is the project reserve account or project reserve fund. This is where your non-federal share gets deposited and dollar for dollar your federal cash match for the AFI portion of the grant will be deposited. No SEDS funds will be deposited into the project reserve fund.

The application should reflect the amount of funds you plan to draw down into the project reserve fund on an annual basis. This should align to the number of IDA participants that will be enrolled on an annual basis. It's really important to put the non-federal match dollars in the fund to ensure the match obligations to your savers enrolled each year. That means that the money is available in the bank when your participants want to make their purchases. That's a big responsibility in your saver's plan agreement: that you have that match money available for your participants. It is the first step in the success of your NABI project.

**Scoring NABI criteria.**

- Need for Assistance, (up to 15 points)
- Outcomes Expected (up to 10 points)
- Project Approach (up to 20 points)
- Organization capacity (up to 25 points)
- The objective work plan (up to 20 points)
- You budget and budget justification (up to 10 points)

We're going to go over the sections of the application briefly.

The need for assistance describes your target populations and the current negative conditions experienced by them that obtaining the specific assets and services will resolve.

Here you will provide the demographics of your target population and describe how the target population is connected to you or the project partners.

In the need for assistance you will also describe the targeted population's difficulty accessing resources to use for asset building. So identify which asset(s) will be accessed through the IDA and other asset building strategies.

What you need to know here is even though we fund homeownership, secondary education or small business entrepreneurship, you don't have to offer all three. Your application may focus on just one or two of these types of IDAs.

If you have a great community college that is targeting your community and you have a strong partnership with them, you might offer only the post-secondary education IDA. If you're a homeownership agency or you have a good partnership with one, you could offer only the first-time homebuyer IDA.

Frankly, one of the wonderful things about these grants is that you can change your project design over the course of the grant if a new partner comes to the community, you can talk to your program specialist at AFI and say "hey we really want to add post-secondary education or small business" and that's something that's possible down the road.

But for now, think of what your resources are, your core competencies are, who in your community offers these assets and use this information to decide which types of IDAs you're going to be offering in the project.

**Outcomes expected:**

You want to present 3 smart objectives that will reduce or eliminate the current negative conditions, the problems experienced by the target population with regards to asset building. Determine how you're going to assist the target population in addressing that problem.

Also for outcomes expected you'll provide measurable outcome based on the population to be served based on your "Need for Assistance" section and activities described in your "Approach and Objective Work Plan".

You'll address the five results and benefits included in the NABI performance framework measure that we discussed.

You will describe the systems, methods or resources used to maintain and track data and outcomes.

There are reporting requirements with these grants, so you definitely want to have a way to track your data. That helps not only report to your funders but it also helps you manage your program so you can track the success of the program as well as which areas are presenting challenges.

You will be describing your outputs, outcomes and your benchmarks of progress in the work plan.

### **The project approach: Planning and Implementation**

This is where you provide details to support your project implementation. For example:

- Who will be teaching financial education courses?
- How often will they be held and where?
- How will eligibility be determined?
- By whom?

### **Project Approach: Asset Development Support Services:**

These are the support services related to asset goals and to the target population's need for assistance.

You'll provide the comprehensive plan for participant achievement and for asset purchase. Also in project approach you'll have recruitment and retention strategies. The recruitment strategy relevant to the target population, who has the trust relationship with the partner population, how are you going to convey the messaging around your matched savings program? Very importantly, once they're in the program how are you going to retain them, from enrollment to asset purchase. Keep the communications going with them. Let participants know that they're accumulating and getting closer, things like that. We want to hear about retention strategies.

Also in this section is organizational capacity, very important.

- What is your knowledge or experience in administering or partnering with these organizations with their asset goals?
- How are you going to staff the project?
- Who are the partners? Including your financial institutions.
- What is the capacity of the applicant and the partners to administer the project?

This doesn't mean that you must've offered IDAs in the past, but that you'll definitely want to describe the capacity to carry this proposed project to success.

You'll also want an objective work plan which aligns with Project narrative, including problem statement, project goal, your objectives, activities, results and benefits. This will include all key activities needed to implement the project in each year. And it will include results and benefits and criteria for their evaluation.

So here is an example of an objective work plan. The objective work plan should function as a stand-alone blueprint for project implementation. All key activities should be included as

well as benchmark activities that support monitoring and accomplishment of results and benefits. This is a stand-alone blueprint that should mirror what you're talking about in the narrative section.

The budget and budget justification will have two separate, line item, budgets for the OCS-AFI request and for the ANA-SEDS request. The budget justification will align with activities and identifies cost basis ensuring that all costs are programmatically justified.

**Application Format:**

There is a 150 page limit. We are not suggesting that you provide 150 page applications, but that is the limit, so don't go over it. Double-spaced and in Times New Roman font, 12 point. And 8 by 11 inch white paper with 1 inch margins all around. And I'll tell you about the electronic submission in a second, so don't get hung-up on the paper. But that will be how it shows up electronically in most cases.

Application forms checklist: Here's a checklist of the things that you'll need. Remember that you'll need a SF-424A for each request, one for AFI Funds and one for SEDS Funds.

The application checklist is next, and it includes the table of contents, etc., that you see here. And these are all important and outlined in the FOA. But ensure that you have all of these things checked off before you submit your application.

Applications are due July 10, 2014. Now, the application has to be submitted electronically unless a waiver is submitted to send a paper application. This waiver must be received by June 27<sup>th</sup>. If you want to consider getting a waiver to the electronic submission, look at Section 4.2 of the FOA. It will tell you exactly who this waiver goes to in the office of grants management, and by when.

Otherwise, the application has to be submitted electronically and is due by **July 10, 2014**.

Very importantly on the next slide are your two fabulous contacts within ANA and AFI. I highly encourage you for a moment now to write this phone number and these email addresses down even though we'll make these slides available. I know as a former grant writer that time is of the essence and sometimes you just need to have this information right away. And let's leave this slide up while we entertain questions. And Chris if you could remind people how they can submit their questions that would be terrific.

*(Questions and Answers section begins)*

**Chris:**

Absolutely, thank you Amy. Thank you for a great presentation. Just to remind everyone, to the right of their screen there should be a go to webinar interface through which, if you click on the questions section, you can type in your questions and send them to me. We already have a couple that we can get to if you don't mind. Christina and Heather feel free to jump in.

The first one is: Could you clarify what activities the SEDS funding can be used for?

**Christina:**

Hi yeah, that's a good question. The SEDS funding is actually pretty flexible, it allows you to cover costs for administration, you can use it to support non-AFI IDAs, so if you want to do youth savings accounts or IDAs that are specific the SEDS funds can be used for that. They can also be used for organization capacity enhancement, so if you want to help train the staff to become better suited in economic development or IDA projects, you can use SEDS funding for that as well. So it's really flexible.

Some restrictions include: construction and purchase of real property. But other than that, as long as it's related to the goals of your program, it's pretty open.

**Chris:**

Fantastic, thank you! Here's another one:

Does NABI require the documentation of match be provided upfront for all five years?

**Heather:**

Hi yes, this is Heather Wiley. I am a specialist with AFI. We do ask that you have the commitment. You do not have to have all the funds prior to your application, but you need a commitment and a plan to receive the funds. The reason being, you won't be able to open any IDAs with your participants until you have the match funds. So in essence, you can't implement the program, without those funds available.

**Chris:**

Excellent, thank you. And just to clarify: for the AFI funds, there is a 100% or 50% cash match required?

**Heather:**

It's a 100% cash match. It's a \$1.00 dollar cash match for every dollar that you request.

**Chris:**

Great. Is the average funding \$150,000 dollars per year?

**Heather:**

That's for the AFI budget or the SEDS?

**Chris:**

For the AFI budget

**Heather:**

So for the AFI budget, the average request is \$150,000 for all five years, so that's for the entire project period. All of the funds under the AFI award are available on day 1, but cannot be drawn down until you have the match deposited into the project reserve fund.

The SEDS award is an annual amount, and we're looking at an average of about \$175,000 per year for the SEDS request.

**Amy:**

I just want to clarify that \$150,000 for the five years from AFI, what happens to that is it doubles in the project reserve fund. So it's \$150,000 of non-federal share and \$150,000 of your award, so that's \$300,000. To do the math, you would take that \$300,000, divide it by 85% and that will then come to your pool of matched funds for your participants, and then the other 15% can go to administrative costs and other expenses outlined the AFI legislation: data collection, data administration, the delivery of financial education reporting, things like that. So the \$150,000 grant award from AFI is over a 5-year project period, but it constitutes the \$300,000 project budget for the AFI portion of the project.

**Chris:**

Wonderful, thank you. Another question related to NABI: Can it target Indian youth ages 14 to 21?

**Christina:**

I'm sorry, could you repeat the question?

**Chris:**

Sure, can organizations with NABI funding target Indian youth ages 14 to 21?

**Christina:**

Absolutely. It's a pretty realistic age range as a target for NABI projects.

**Amy:**

Let me just add something to that. So, remember that when you're targeting youth, they have to be able to then purchase the asset within the 5-year project period. So if you start with a 14 year old, by the time they're 19 you want to be sure that they enrolled in a community college so that the asset purchase occurs within the 5 years. That's the important thing to consider: are they too young to make the asset purchase during the grant period? 14 to 21 sounds very reasonable, as long as you start early and recruit early in the grant period, so that they have time to save and purchase their asset.

**Christina:**

To add to that, you can also include youth if they're doing youth entrepreneurship or youth business models. That would be another way to include youth, as they'd be ready to make the asset purchase by the end of the period.

**Chris:**

Great thank you. So, another question for Amy: Do we need to submit two separate 424 forms for the AFI and SEDS funding or is there just one?

**Amy:**

And that's for Heather and Christina.

**Christina:**

It's actually one 424 form. The 424 should include the funding request from ANA and the entire budget project for AFI. And then you'll do two 424A forms. That's when you're breaking down the categories for the forms. You'll do one 424A for the AFI budget and one 424A for the SEDS budget.

**Chris:**

Another question: Is there going to be another FOA next year? Or when would the next one be?

**Christina:**

We have not concluded the planning for next year's FOA so we can't say for sure whether, or when, there will be one. I know that we're waiting to see how many applications we get this year to see how the program is going. We have no plan to discontinue the NABI Funding Opportunity Announcements. As we finish up this year's competition, we'll start to discuss some for next year and we'll definitely keep the community involved. You can always sign up for the ANA listserv through the ANA website or you can contact Heather or I with any questions in the future.

**Chris:**

Another question for either you or Heather: Can social security survivor income benefits be used towards the match?

**Christina:**

The match has to be non-federal match. A participant saving in an IDA, those funds need to be earned income and we would have to take a close look as to what type of social security payment that might be. For each type of benefit, sometimes it is considered earned income by the IRS and sometimes it's not. So there're two thoughts: participants and their savings in the IDA and then the required match for the application. The required match comes from the grantee's side.

**Chris:**

Would a tribe partner with a CDHE (so still a non-profit) be able to apply?

**Christina:**

The tribe partnered with their housing department, they're established differently. If it's established as a 501(c)(3) then definitely eligible partner. And they would be an eligible applicant. If it's not a 501(c)(3) then we'd have to take a closer look at the way they're established. But the easiest answer is if they are a 501(c)(3) then yes. If not, then we'd have to look with more detail but it would be difficult to establish it as eligible.

You're free to provide us with the organizing documents and send those to us if you'd like us to take a look at those and we can give you more specific feedback.

**Chris:**

Great, we'll encourage all the participants to do that. A wider question: what happens if the program participant withdraws from the program?

**Christina:**

If an individual participant who stayed in an IDA withdraws, it's an issue where they get their funds that they saved but would get none of the match funds. If they found that later on they have a more stable position, it's really up to the grantee whether or not they want to bring that participant back on. But from AFI and NABI and SEDS, we do not make those types of policies. That's an individual policy that the grantee will make.

**Amy:**

And let me add something to that also. If you have a participant that withdraws, look at the AFI legislation to check what withdrawal happens. But life happens, people withdraw. Because of health issues or whatever happens. Things to note though, is that you will have had your obligated matching funds sitting in your project reserve fund. So when a participant drops out, and they receive their earned income deposits in their IDA, the IDA gets closed if they are withdrawing, and the match gets recommitted to a new participant. So those matching dollars go to someone else that can then complete their asset purchase. So check the budget and make sure you achieve your work plan. When there's attrition, you're going to be enrolling, probably through the first 3-4 years because of attrition.

**Christina:**

Actually, Amy, that's an excellent point. When you're developing the plan, sometimes it's very good to think about attrition. Think about how you would go about orchestrating a waiting list for participants. That's a very good point indeed.

**Chris:**

Next question: Can organization pay youth stipends or wages for internships and then have them contribute a portion of these funds to the IDAs.

**Christina:**

That's a good question, and that can be done. You can design that into the project. When they receive earned income they can use that to make contributions to their IDAs. AFI Funds or Combination AFI-SEDS funds can be used to make that match.

**Chris:**

Great so we'll keep it open for another minute in case any other participants want to bring up a question. Otherwise, are there any additional thoughts any of you might have, on the questions or the wider topic?

**Amy:**

In terms of determining your project, one thing to really think about is that you don't want to design (unless you're dealing with youth that will deal throughout the planned stages until they graduate high school or start a business) But one thing to think about is most programs structure the program so that a participant doesn't spend typically longer than a couple of years in your program. So think, you're probably going to be enrolling people not all in year 1, unless you have all the money in the bank to obligate to them. So remember that if you put a project together where you really lay out that you're going to be enrolling people late in year 1, year 2, year 3, and possible even into year 4, that you are not going to have a five-year project period for those newly enrolled participants to participate in. That affects your communications with them and their savings plan agreement, and what their expectations are towards asset purchase within a shorter time frame than what your grant says.

It's really important that you look at that if you're looking to enroll participants into years 3 and 4. For example, sometimes homeownership doesn't become a viable asset because it takes longer than that. Grantees switch to education or entrepreneurship because those things can be capitalized between six months and a year. So really think about that when you're putting your project plan together. How are you going to approach it?

**Chris:**

We have some more questions here: Can a same organization apply with multiple collaboratives? Or is there a restriction on that. Would anyone like to jump on that?

**Christina:**

I'm sorry, was there a question that you mentioned?

**Chris:**

Yes. If a single organization wanted to apply with multiple collaboratives, would it be able to? Or are there restrictions?

**Christina:**

There aren't any restrictions in terms of applying with partners but I'm not sure how that would work as I've never seen that before. But there are no restrictions designed for that. Actually partnerships are really important to the success of NABI projects simply because of getting the word out in the community and the multiple aspects of financial literacy, supporting businesses and education. Partnerships are a great way to support.

**Chris:**

Can participants use Casino money dividends to save in an IDA?

**Christina:**

Are those particular earnings earned income that is generally reported to the IRS?

**Chris:**

Yes. Taxable income.

**Christina:**

Any earned income can be saved in an IDA. There are some quirks as to what types of earned income are out there. Every day I'm introduced to a new type of income that is considered "earned" by the IRS. If you have any specific questions about a specific per diem payment, or other payment that your potential partners are receiving feel free to send me an email. I will do the research and get back to you. But I would say yes. If it's considered taxable income by the IRS then that's the guidelines we use to see if something can go into an IDA.

**Chris:**

Another question is: Are tribes required to partner with a native 501C3?

**Christina:**

Yes. Applicants are required to partner with an organization that is a 501(c)(3), and in some instances I've even seen them establish 501(c)(3) so they're tribally chartered 501(c)(3) outfits. And those apply alone. If a tribe applies with a non-profit partner, that tribe will be the one responsible for administering the grant.

**Chris:**

Great! Thank you so much. I feel that this would be a great point to wrap it up as we reach the hour. So I just want to thank all three of you for being here and answering all the questions that came up.

**Christina:**

Just one more thing; we are having an ACF tribal grantee meeting next week. For any of the participants online that will be attending that meeting or that know people that will be attending, Heather and I will be participating in a session to discuss NABI at the tribal grantee meeting. Feel free to participate in that session or otherwise come by and talk to myself or Heather if you have any other questions or would like to meet face to face.

**Heather:**

Yes, I plan to be there for most of the 17<sup>th</sup>.

**Christina:**

The hotel is the DoubleTree in Crystal City, in Virginia. So the sessions are both on the 17<sup>th</sup>. I believe you can check the agenda; the first one is at 10:15 and the second one at 4:15. And then I will be at that meeting Monday, Tuesday, Wednesday.

**Chris:**

So they can come find you then. And if they have any questions, both your emails are still up on the screen so they should feel free to send you an email if they have any questions, correct?

**Heather, Christina:**

Yes.

**Chris:**

Great. Well thank you all for taking the time this afternoon, and thank you also to the participants.

**Amy:**

Chris, do we know when the slides will be available and where? Where can people access the webinar slides?

**Chris:**

Absolutely, we will send out a follow-up email with the information on how to access it, and it will be available on the AFI resource website. They should be up in a couple of days. But we'll be sure to let everyone know so they can download the materials and go through them at their own pace.

**Amy:**

Thank you. Thanks everyone.

**Chris:**

Yes, thank you! Thank you for the presentation, thank you everyone for being here. And have a great afternoon!

**Amy:**

Byebye!

*(End of the webinar)*