

Assets for Independence (AFI) Program

- ▶ Assets for Independence (AFI) is a discretionary grant program administered by the Office of Community Services (OCS) in the Administration for Children and Families (ACF).
- ▶ Administration for Children and Families (ACF)
 - Part of the US Department of Health & Human Services.
 - One of the key *human services* agencies within HHS.
 - Promotes the economic and social well-being of families, children, individuals and communities.
 - Responsible for funding many programs and services, including Head Start, child care, child welfare, child support, LIHEAP, family violence prevention, TANF, CSBG, and refugee services.

Assets for Independence (AFI) Program

- ▶ AFI was created by Congress in 1998 to demonstrate and support an assets-based approach for increasing the economic self-sufficiency of low-income individuals and families.
- ▶ What is asset building?
Supporting the acquisition of assets (both tangible, such as a home, and intangible, such as education) that can increase opportunities, build wealth, and increase economic stability.
 - Income-support strategies, such as cash assistance and SNAP (food stamps), act as a safety net.
 - Asset-building strategies act as a ladder.



Assets for Independence (AFI) Program

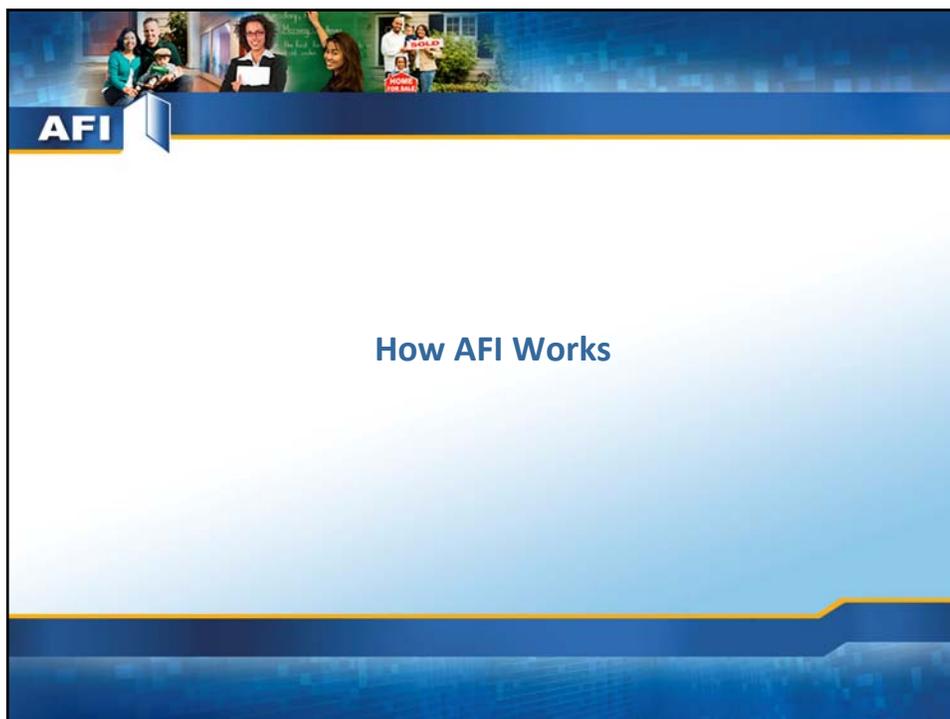
- ▶ AFI funds projects that provide Individual Development Accounts (IDAs) and related services to low-income people.
 - IDAs are matched savings accounts with a specific goal: purchasing an asset.
 - AFI IDAs may be used for:
 - To purchase a first home,
 - To capitalize a business, or
 - To fund post-secondary education or training.

Which entities are eligible for AFI grants?

- ▶ AFI is authorized to award grants to the following entities:
 - Non-profit entities with 501(c)(3) status;
 - State or local government agencies, or tribal governments, applying jointly with a non-profit with 501(c)(3) status;
 - Financial institutions that are federally certified as either a Low-Income Credit Union or a Community Development Financial Institution and that demonstrate a collaborative relationship with a local community-based organization whose activities are designed to address poverty.
 - Entities deemed eligible under Section 405(g) of the AFI Act [the grandfather clause], specifically state agencies in Indiana and Pennsylvania.

AFI Award Information

- ▶ AFI is a discretionary grant program.
 - Competitively awarded; typically more than one competition per fiscal year.
 - Program is implemented by grantees.
 - Organizations can have more than one AFI grant at a time.
- ▶ In FY 2014, AFI was appropriated \$19 million.
 - Approximately \$10 million was awarded as grants.
 - Total of 44 grant awards were made.
- ▶ General grant information:
 - Maximum award: \$1,000,000.
 - Minimum award: \$10,000.
 - Grants have a 5 year period.
 - Full funding is available upon award.

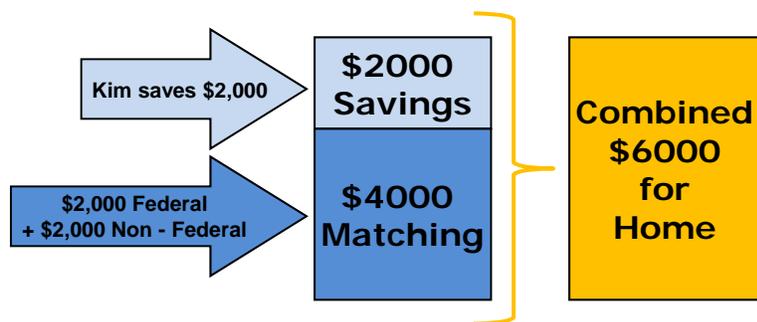


How AFI Works

How AFI Works: A Participant's Perspective

- ▶ Kim would like to purchase her first home.
- ▶ An AFI grantee in her community determines that she is eligible and Kim opens her IDA.
- ▶ The AFI grantee matches Kim's savings at a rate of \$2 for every \$1.
- ▶ For 3 years, Kim saves \$55 per month of her earned income, working towards a goal of \$2,000 in her IDA.
- ▶ During this time, she receives tax assistance, financial education, and homeownership preparation from the AFI grantee and its partners.
- ▶ Kim saves \$2,000 and purchases her home using her savings plus \$4,000 from the AFI grantee (\$2,000 federal/\$2,000 non-federal).

How AFI Works: Kim's IDA



Who can participate in an AFI project?

1. Any individual who is a member of a household that is eligible for assistance under their state's Temporary Assistance for Needy Families (TANF) program.
- OR**
2. Any individual who is a member of a household that meets both of the following requirements:
 - Income Test - Adjusted gross income of the household is equal to or less than 200 percent of the federal poverty guidelines or the earned income tax credit limits.
 - Net Worth Test - Net worth of the household, as of the end of the calendar year preceding the determination of eligibility, does not exceed \$10,000 (excluding value of the primary residence and one vehicle).

How AFI Works: A Grantee's Perspective

- ▶ Project start-up:
 - Activate partnership with financial institution(s) and other partners
 - Establish project Reserve Fund, deposit non-federal cash contribution, and draw down federal AFI funds
 - Develop program policies and procedures and train staff
 - Develop program outreach and marketing materials
 - Set up data management system and other record-keeping
- ▶ Engage and support savers:
 - Perform outreach and recruitment
 - **Determine eligibility of applicants and ability to participate**
 - Establish savings plan agreements and **open IDAs**
 - Support participant savings progress

How AFI Works: A Grantee's Perspective

- ▶ Engage and support savers:
 - **Periodically match participant savings**
 - Develop system for participant **business plan review and approval** (if offering business as an asset)
 - **Assist participants in obtaining skills and information necessary to achieve economic self-sufficiency**
 - Offer activities and strategies for retaining participants
 - **Approve and process qualified expenses and emergency withdrawals**
- ▶ Behind the scenes:
 - Submit required reports
 - Conduct periodic internal reviews
 - Perform project close-out



AFI

Grantee Presentation

The slide features a blue header with a collage of images showing people in various settings, including a classroom and a group of people. The AFI logo is prominently displayed on the left side of the header. The main body of the slide is white with a blue gradient at the bottom.



GOODWILL INDUSTRIES OF SAN ANTONIO

San Antonio, TX
Tammy Deininger, Director of Career Development

The slide features a white background with a grey header bar at the top. The Goodwill logo, which consists of a stylized 'G' inside a square, is positioned on the left. Below the logo, the company name 'GOODWILL INDUSTRIES OF SAN ANTONIO' is written in bold blue text. A thin red horizontal line separates the company name from the location and contact information. The location 'San Antonio, TX' and the name 'Tammy Deininger, Director of Career Development' are listed below the line.

About Goodwill San Antonio

- **History:** Chartered locally in 1945. Goodwill is proud to celebrate 70 years of providing service to San Antonio and the surrounding communities.
- **Service Area:** 24-county region
 - Currently serving the communities of San Antonio, New Braunfels, Seguin and Laredo, TX.
 - Expanding to Kerrville in July 2015.
- **Mission:** *To help change lives through the power of work.* Goodwill provides career training and placement assistance for employment.

About Goodwill San Antonio

Today, Goodwill is....

- \$55 Million in Revenue
- Over 51,000 people served
- 18 stores and 25+ donation stations
- Over 725,000 donor transactions
- More than 2.2 million shopper transactions
- Manages 17 contracts for the federal government
- 12 Good Careers Center
- 3 Good Careers Academies
- Services and programs to help veterans and their families transition to civilian life

Saver Spotlight

Overall Goals:

1. Save \$1000 within 6 months by making \$42 minimum consecutive deposits
2. Complete 11 modules of financial literacy training
3. Attend 1st time homeownership class (for home ownership IDA) or complete on line training regarding post secondary education (for education IDA)
4. Each of our grants had different goals/outcomes

Behavior Change(s):

1. The biggest change in behavior that we seen from those who participated in our program was an overall feeling of hope.

What did they accomplish?

1. Either completing their post secondary education goals or becoming a 1st time homeowner.

Why AFI?

What was the impetus for the development of the IDA program?

1. In 2004 Goodwill Industries International began to encourage other Goodwills to identify ways to help provide and promote financial strengthening to our team members as well as those we serve.

How does the IDA program fit with your organization's other programs, its mission, and its business goals?

1. Goodwill Industries of San Antonio firmly believes financial strengthening and asset building opportunities helps to continue to build upon the success of those we serve.

What asset building work did your organization already do (financial education, credit/debt, VITA)?

1. We had been working with the City of San Antonio and later in Laredo Texas and have served as a VITA site
2. We had identified a curriculum by the name of Money Smart and wanted to extend the training to those we served.
3. We began to work closely with the banking partner that we identified as our partner for this grant and they offered to conducted financial education opportunities.
4. Several years after our first grant, we created the opportunity for another financial institution to co-locate within two our retail facilities.

IDAs at Goodwill Industries of San Antonio (cont'd)

Demographics of savers

1. The demographic of our savers consisted mainly of single parent families who either resided in income contingent housing or lived with multi generations of family members.
2. For those interested in returning to school, most had a significant amount of time that they had not been back in school.

Number of withdrawals : 34

Grant 1: Match 4:1 (Homeownership Only)

Dollars saved: \$1000 each

Match earned: \$4000 each

Funds Leveraged: Community redevelopment within targeted zip codes

Number of withdrawals to include multiple transactions: 25

Grant 2: Match 4:1 (Homeownership and Education)

Dollars saved: \$1000 each

Match earned: \$4000 each

Funds Leveraged: Community redevelopment within targeted zip codes, scholarships and grants

Number of withdrawals to include multiple transactions: 62

Grant 3: Match 4:1 (Homeownership and Education)

Dollars saved: \$1000 each

Match earned: \$4000 each

Funds Leveraged: Community redevelopment within targeted zip codes, scholarships and grants

IDAs at Goodwill Industries of San Antonio (cont'd)

Number of withdrawals (includes multiple transactions): 15

Grant 4: Match 4:1 (Homeownership and Education)

Dollars saved: \$1000

Match earned: \$4000.00

Funds Leveraged: Community redevelopment within targeted zip codes, scholarships and grants

IDAs at *Goodwill Industries of San Antonio*

Match rate, savings goal, savings period

1. 4:1 Match rate
2. \$1000 savings within 6 months, with a minimum savings of \$42.00 monthly

What are the day to day activities of the IDA program and how does your staff deliver them?

1. Deposit Reports
2. Status checks
3. Process of documentation required to make a withdrawal

How many hours per week does staff spend on the IDA program?

1. Depends upon the volume of withdrawal requests and reports received from financial institution

What data system(s) do you use?

1. Excel spreadsheet
2. Accounting Reports/data entries

IDAs at *Goodwill Industries of San Antonio (cont'd)*

Who are your IDA partners?

1. City of San Antonio
2. Wells Fargo
3. Generations Credit Union
4. United Way Financial Empowerment Centers

Who are your IDA funders?

1. Goodwill Industries of San Antonio

How do you layer support - public resources, non-public resources, in-kind resources – to implement the IDA program?

1. Currently all funding is provided by Goodwill Industries of San Antonio

Lessons Learned

What would you say are the greatest benefits to your organization of having an IDA program? (not just the benefits for your clients)

1. Offering resources that will allow us to work with a new populations.
2. Identifying and working with new community partners that help leverage resources such as financial literacy training and workshops

What are the biggest challenges, and how have you overcome them?

1. Based upon our experience, helping to change the person's behaviors as they relate to financial literacy and asset assumption through wrap around case management services and community resources.

Lessons Learned (cont'd)

How can an organization like yours know if it is in a good position to run an IDA program? What "screening questions" would you have them ask themselves?

1. Community resources that will help leverage the services necessary to help the individual be successful.
2. Options for postsecondary education and affordable housing.
3. Community needs assessments

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AFI

Applying for AFI

The slide features a blue and yellow banner at the top with a collage of images showing students and staff. The AFI logo is on the left. The main text 'Applying for AFI' is centered in a blue font. The background is a light blue gradient with a dark blue and yellow footer.

Key AFI Requirements

- ▶ Cost Sharing: Awards require 100% cash match from non-federal sources.
- ▶ Limitation on Uses of Funds: 85% of project funds must be used to match participant IDA savings.
- ▶ Qualified Expenses: AFI IDAs may be used to purchase a first home, capitalize a business, or fund post-secondary education or training.
- ▶ Matching Participant Savings: Specific requirements related to administration of the project (savings period, match cap, financial institutions).

How's the Fit?

- ▶ For your organization:
 - Experience in administering AFI projects or similar programs?
 - Capacity to implement project, with or without partners?
 - Resources available for project?
 - Experience with home, education, small business?
 - Accounting/financial records systems?
- ▶ For your service area and target population:
 - Eligibility and demand for allowable asset purchases?
 - Viability of the proposed project with regard to the asset purchases included in the design?

AFI Funding Opportunity

► Funding Opportunity Announcement (FOA)

- Available at <https://www.acf.hhs.gov/grants/open/foa/index.cfm?switch=foa&fon=HHS-2015-ACF-OCS-EI-1005> or through the link at <http://www.IDAresources.acf.hhs.gov/Apply>
- Next application due date: **June 15, 2015**
 - Pending funding availability, there are also application due dates expected in October 2015, April and October 2016, and April 2017.



Next Steps

1. Share AFI information with agency leadership, partners, and staff
2. Contact the AFI Resource Center for a copy of the AFI Application Kit and to join the mailing list
3. Learn from other Prospective Grantee Webinars:
 - Introduction to the 2015 FOA
 - Recording posted at www.IDAresources.acf.hhs.gov/Apply
 - Developing Resources and Partners
 - Offered May 27; www.IDAresources.acf.hhs.gov/Calendar
 - Preparing & Submitting an AFI Application
 - Coming soon!

AFI Resource Center

- ▶ The AFI Resource Center is the access point for AFI program technical assistance.
- ▶ Website: idaresources.acf.hhs.gov
 - Includes information for potential applicants
 - Grantee Locator:
<http://idaresources.acf.hhs.gov/afigrantees>
- ▶ Help Desk:
 - **Phone:** 1-866-778-6037
 - **Email:** info@idaresources.org