

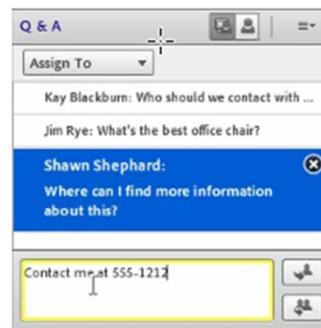


## Assets for Independence (AFI) and Promise Zones

May 14, 2015

### During this Webinar

- ▶ For assistance accessing the materials, contact the AFI Resource Center: [info@IDAresources.org](mailto:info@IDAresources.org) or call 1-866-778-6037
- ▶ The webinar is being recorded and will be available on the AFI Resource Center website [www.IDAresources.acf.hhs.gov](http://www.IDAresources.acf.hhs.gov)
- ▶ All participants have been muted to ensure sound quality
- ▶ If you have any questions before/ during Q&A:
  1. Go to the Q&A panel on the right-hand side
  2. Type in your question
  3. Click "Send"



## Presenters

- ▶ Margeaux Akazawa, U.S. Department of Housing and Urban Development
- ▶ Hiwot Gebremariam, U.S. Department of Agriculture
- ▶ Emily Appel-Newby, AFI Resource Center
- ▶ Robin Counce, Choctaw Career Development Director, Choctaw Nation of Oklahoma
- ▶ Dawn Hix, IDA Coordinator, Choctaw Nation of Oklahoma

The banner features the AFI logo on the left, which includes the letters 'AFI' in white on a blue background with a white square icon. To the right of the logo is a collage of images showing diverse people in various settings, including a classroom, a group of people, and a person holding a sign.

## Assets for Independence

## 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.

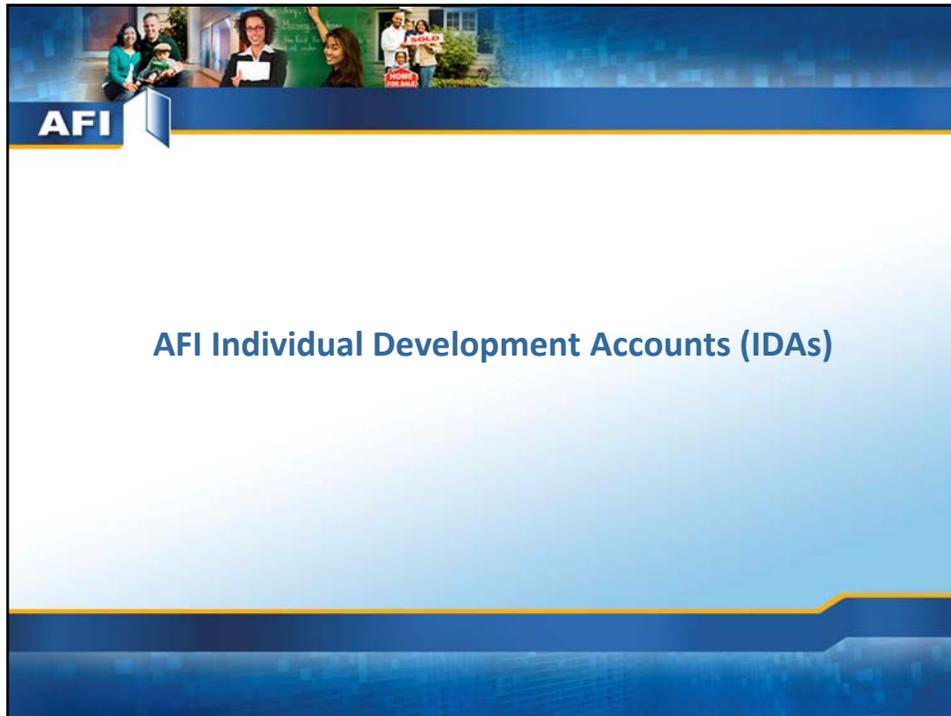


## Assets for Independence (AFI) Program

- ▶ 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:
    - To purchase a first home,
    - To capitalize a business, or
    - To fund post-secondary education or training.

## Bonus Points in AFI Application Review

- ▶ **Federal Place-based Initiatives (0-5 Points):** Reviewers will consider the extent to which the proposed project will collaborate with one or more federal place-based initiative(s) and serve the population located in the area(s) designated for that initiative.
  - The application must provide a third-party agreement with the lead entity for the federal place-based initiative documenting the extent of involvement/ collaboration with the proposed AFI project and describing the collaboration, including roles, activities, and any shared/ transferred resources.
    - Additionally, to receive bonus points for collaboration with a Promise Zone, the applicant must provide a signed Certification of Consistency with Promise Zone Goals and Implementation.
  - Reviewers will verify the lead entity for the federal place-based initiative using the list of sites and lead entities included in the Appendix [of the AFI Funding Opportunity Announcement].

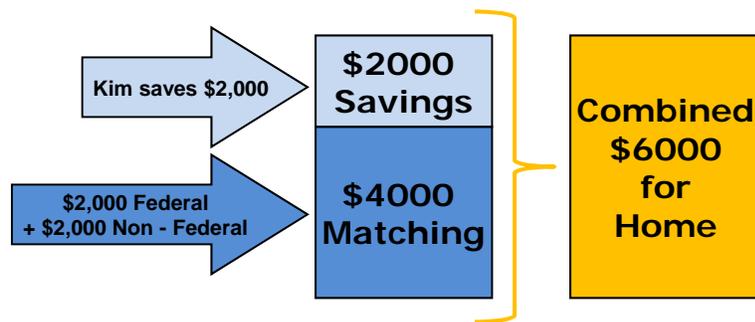


## AFI Individual Development Accounts (IDAs)

### How AFI Works: A Participant's Perspective

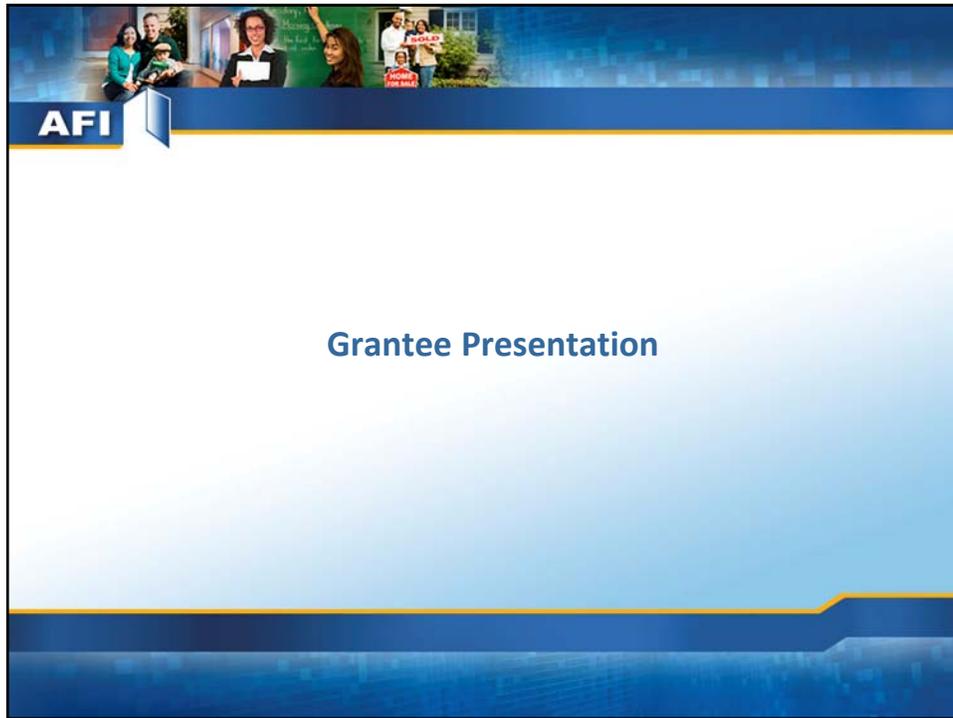
- ▶ Kim would like to purchase her first home.
- ▶ An AFI grantee in her community determines that she is eligible and Kim opens her IDA.
- ▶ The AFI grantee matches Kim's savings at a rate of \$2 for every \$1.
- ▶ For 3 years, Kim saves \$55 per month of her earned income, working towards a goal of \$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).



**CHOCTAW ASSET BUILDING (CAB)**

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Durant, Oklahoma  
Robin Counce, Choctaw Career Development Director  
Dawn Hix, IDA Coordinator

## About *Choctaw Asset Building*

- Goal – to assist 340 Choctaw individuals and/or families to manage their money and credit wisely, and to empower them in regularly savings toward a major asset (home purchase, post-secondary education, or small business capitalization) through Individual Development Accounts.
- Choctaw Asset Building was awarded \$800,000 AFI grant June 15, 2009.
- Choctaw Nation matched grant funds with \$1,000,000 of tribal funds.

## Saver Spotlight

- Crystal started an account for a home
- She change to education
- She graduated May 9 with Bachelor of Arts in Communication



Crystal learned about money management in the CAB Personal Financial Education class. "I've learned to make a budget, and how to stick to it. I have learned more about my credit score and report and how to understand it," says Crystal.

## Why AFI?

- Career Development Program offers tribal members a variety of career guidance services and financial assistance
- AFI offers matched savings using same goals as career development
- AFI helped bring in organized financial education and work with partners for VITA sites

## IDAs at *Choctaw Asset Building* (cont'd)

- 60% Women
- 79% < 30 Years of Age
- 61% Some College or Degreed
- 93% Live in Rural/Remote Area
- 73% Have No Children

## IDAs at *Choctaw Asset Building* (cont'd)

### Choctaw Asset Building 1

	Client's Savings	Match Amount	No. Successful Savers	Average Savings
Home	\$167,816.53	\$479,000.51	81	\$2,071.81
Education	\$366,338.89	\$698,568.38	219	\$1,672.78
Business	\$145,369.19	\$272,630.01	71	\$2,047.45
Total	\$679,524.61	\$1,450,198.90	371	

## IDAs at *Choctaw Asset Building*

- Match Rate
  - Business Savers 2-1match
  - Education Savers 2-1 match
  - Home Buyers 3-1 Match
- Savings timeline 6-36 months
- Matched saving amount \$2,000

## *IDAs at Choctaw Asset Building*

- Approximately 50 hours of staff time per week
- Software – VistaShare Outcome Tracker
- Bank transactions are uploaded to software system daily
- Referrals are made by Career Counselors, other Choctaw Nation Programs, Partners, Word of Mouth

## *IDAs at Choctaw Asset Building (cont'd)*

- Partnerships include
  - Area Schools (Career Tech Centers and Higher Education)
  - Native American Business Resource Center, Small Business Development Center, and Rural Enterprises of Oklahoma
  - Choctaw Housing Authority, Big 5, Little Dixie Community Action Agency

## Lessons Learned

- Breaking generational poverty is not easy
- Assets are defined in different ways for different people
- Focus on restoring freedom and pride
- Word of mouth is the biggest selling point

## Lessons Learned (cont'd)

- Ask your organization if there is a need for matched savings?
- Will there be financial support?
- Will there be a partnership of programs to provide the services needed by the clients?
- What match rate would work best for your organization/or what asset purchases do your clients need?

Dawn Hix, IDA Coordinator

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The banner features a collage of images: a woman in a green shirt, a man in a white shirt, a woman in a black top, and a group of people. The AFI logo is on the left.

**AFI**

**Assets for Independence (AFI)**

## 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, 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

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



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## Eligible Entities

### ► 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:
  - Award size: \$10,000 to \$1,000,000.
  - Grants have a 5 year period.
  - Full funding is available upon award.

## 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](http://www.IDAresources.acf.hhs.gov/Apply)
  - Developing Resources and Partners
    - Offered May 27; [www.IDAresources.acf.hhs.gov/Calendar](http://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](http://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](mailto:info@idaresources.org)