



AFI Coaching Cohort 2 - Session 1

Funders, Financial Institutions, and other Partners

May 14, 2015

Emily: Okay. Great! Let's go ahead and get started. My name is Emily Appel-Newby and I am with the AFI Resource Center and I have with me my colleague phonetic [0:01:02.3] who is also a TA provider here. So, if you guys are working on AFI applications, you will hopefully and probably talk with at least one of us sometime before you turn in your application. We're so happy to work with you. The AFI Resource Center provides technical assistance to assets for independent grantees or partners and potential applicants. And so our role on the outreach team is to work specifically with applicants in developing strong and compliant application. So, today's learning cohort is all about preparing the application and specifically, today's session is about bringing in your funding partners, your financial fusion partners and any other kind of partners you may need for your project. We started with this topic for the first session of the cohort because this is something that takes a longer amount of time because it's obviously, you're working with outside organizations and getting those third party agreements can take some time.

So, normally, we do a lot of our outreach technical assistance as webinars but we thought that it might be a wonderful opportunity to have new applicants learn from current grantees as well and so we put together these learning cohorts as an opportunity for peer-to-peer discussion and brainstorming about how to put together an AFI application and a project. So, please bear with us. This is only the second session that we've done of these kinds and so we're seeing how it's all going to work out. So, basically, this only works if you're engaged and ask questions and share your experiences whether you're a first time applicant; what are your experiences so far with setting it up or if you're a grantee. Definitely, you're going to have a lot to draw on. So, every time someone asks a question, I'll go ahead and respond first and I'll just give some—summarize the AFI program requirement that touch on that subject and then I'll ask the others on the call to share their experiences.

We do have about 15 people on the call. So, I'm going to ask everybody to put themselves on mute using your phone and then when you're ready to answer a question or respond to a question, go ahead and take yourself off mute. Definitely, we'll have a couple of times where people will start to answer the question at the same time but we'll get it straightened out. It wasn't too bad on the last call but I would also say, please don't put us on hold because then we'll all be listening to your hold music. So, if you need to step away, you can just hang up and dial back in. As a reminder, this call is being recorded and a transcript will appear on the AFI Resource Center website. I need to remind everybody to please put yourself on mute. If you cannot put yourself on mute using your phone capabilities, you could use our calling line. Also, to put you on mute, it's by pressing star-six. Again, if your phone can't do mute, then press star-six to put yourself on mute and star-six to unmute yourself if you need to respond to a question. I want to start by getting a sense of who is on the call and then we will dig into today's topic

which is funders, financial institutions and other partners. So, I'm going to throw down [0:04:30.7] the list of organizations we had registered for today's call and ask one person from each organization to respond and tell the group if this is the first time you're applying for AFI or if you've had other projects in the past, how long have you been running an AFI IDA project. So, the first group on my list then is the Commission on Economic Opportunity from Pennsylvania. Are they on the line?

Katherine: Yes, I am.

Emily: Hi. Are you Katherine?

Katherine: Yes, it is. We've had a Family Savings Program under the Commonwealth of Pennsylvania Department of Community and Economic Development since 1999 and Pennsylvania no longer provides the match and so we're exploring how we can push through [0:05:17.5] the program on our own.

Emily: Great! Glad to hear it. Is Commission on Economic Opportunity; are you a Community Action Agency?

Katherine: We are.

Emily: Okay. Great! The next group is another Community Action Agency, this time, in Michigan. Is Tammy on the line?

Tammy: Yes. Hi, Emily!

Emily: Hi. Great! So glad you're able to join us. You want to talk about how long you've been operating your project?

Tammy: Yeah, we've been operating our project since 2001. We were one of the very first involved in the pilot but other than the pilot, we've been running it since 2005. In our state, IDA partnership has been around that long as well. Long time.

Emily: Yeah, definitely! Definitely! You're one of our indiscernible [0:06:12.2] call here. The next is for Family Services Association of Howard County in Indiana. Okay. It doesn't sound like we have anybody there. What about the F&L Community Development Corporation in Louisiana? Okay. What about Higher Heights Youth Empowerment Program in Connecticut?

Robin: Yeah, I'm right here.

Emily: Hi.

Robin: Hello! My name is Robin and this is our second time applying for the AFI grant. We were actually denied for the October filing date and this will be our second year running a financial literacy program for high school students and their families.

Emily: Great! Well, it sounds like you have a good basis to work from then since you're into your second year of doing financial literacy and hopefully, we can make IDA part of that.

Robin: Yeah.

Emily: The next group is the Housing Partnership out of Florida. Okay. What about Amy from I Know I Can in Ohio?

Amy: Hi, Emily! How are you?

Emily: Hi! Great to hear from you.

Amy: I Know I Can is a non-profit that is focused on access to higher education for low-income students and families and we have been a partner on an AFI grant since I think 2009 and we applied for our first grant that we're administering currently in 2013. So, ours is that schools provide [0:07:56.3] for students and the opportunities to go on for higher education.

Emily: Great! Thank you so much for joining us. The next group was Metro Community Development in Michigan. Okay. And then Olive Hills Community Economic Development Corporation in North Carolina. Okay. What about Omnicast Corporation in Mississippi? What about Sampson County CDC, again in North Carolina? Okay. What about Shelby County Government in Tennessee? Okay. What about Sunflower Humphreys County Progress in Mississippi? Okay. Then we have Upper East Tennessee Human Development Agency. Okay. What about Volunteers of America? Okay. Wayne Metropolitan Community Action Agency in Michigan?

Genevieve: Yes, hi! Good morning. This is Genevieve.

Emily: Hi! Great!

Genevieve: Hi.

Emily: Hi. Is Anne—

Genevieve: Yeah, she's actually working on some IDA things. I'm representing Wayne Metro and we've actually been in partnership in Michigan with Tammy's organization for the Michigan IDA partnership. Wayne Metro is in a sub-grantee of another organization that has an AFI grant and we've been doing IDAs for more than 12 years. We recently became a new AFI grantee on our own in 2013. So, we're fairly new.

Emily: Yeah, in some ways new but in some ways, you've been around for a while.

Genevieve: Yes.

Emily: Okay. Well, this is a smaller group than we had expected but that's totally fine and we'll probably allow for a great conversation. It looks like we have new grantees and three returning grantees who are looking to apply and two perspective grantees. So, the topics that we've focused today's call on were about funders and financial institutions and other partners. So, let's go ahead and start with funders which I know often express the big questions for applicants in terms of where they're going to find their funding for the nonfederal cash contribution and any other additional operating fund. Is there anybody on the line who has a specific question that they wanted to get us started with?

Genevieve: Hi, this is Genevieve. I had a question, Emily. I was just wondering; what are some tips for promoting IDAs for nonfederal match fund and fundraising?

Emily: So, you're talking about how to talk about IDAs? Is that what your question is about?

Genevieve: Yes, to get some funding for the nonfederal fund. Yes, exactly.

Emily: Yeah, I think it's very much about knowing who your funder is and what their interests are and in thinking about how you can align the outcomes of AFI and IDAs both the direct ones like asset purchase and the indirect ones like the financial literacy that result with the funder's interest. So, you have some funders that you're looking at that you want to figure out how to talk to them about it?

Genevieve: Yes. Yes, we do. Would you like me to provide some examples?

Emily: Yeah.

Genevieve: Okay. Yes, we are interested in having a more engaged conversation with our State Housing Authority and then they have a collaborative so in our respective regions like the banks that are closest to us and we've been trying to do research on community impact. So, I was just wondering on my end in terms of research, where are some good places that we can find to show community impact that like dollars are our leverage? Is there something that we can show that our funders as well particularly like banks or who are indiscernible [0:13:22.7] realm?

Emily: Right. I feel like I've seen that somewhere. In their evaluation, I definitely know that the Oregon group, I think it's through the neighborhood partnership. They've done an evaluation about the impact of their project on the individual and community level. And then on the return on investment—

Genevieve: Sorry. I was excited.

Emily: Yeah. No, I'm not sure I know of any specific studies that have looked at that. Does anybody else on the call know about particularly effective evaluations that they have seen about IDAs and particularly ones that looked at ROI?

Genevieve: Just to add on that, Emily. We've been trying to use the scorecards, asset and opportunity scorecards but there's not so many numbers to go by and it's very broad in terms of asset purchase indiscernible [0:14:30.6] we've been using but if anybody has any idea, it would be really, really helpful.

Emily: I wonder if there's a way you could calculate your own ROI from the past asset investments that you've made in terms of starting from the nonfederal dollars then indiscernible [0:15:05.0] showing the federal that's leveraged and the commitment savings that's leveraged and then the loans that are leveraged, for example, mortgage loans or homeownership. And then I wonder if you could find some other general statistics about the ROI of homeownership in a community in terms of tax revenue; things like that and homeownership retention that are not—the numbers wouldn't be specific to IDAs, obviously, but more general about low-income homeownership in general. That's, kind of, maybe how I would think about it and I think you could probably put together a really neat infographic showing the broadening outreach.

Genevieve: Okay. Yeah, indiscernible [0:15:57.7] you know the place that you cited was called Oregon Partnership Neighborhood. What was the name of the report?

Emily: I don't know the name of the report off the top of my head but it's one of the AFI grantees that is in Oregon and their title is Neighborhood Partnership. I believe there was someone who did an evaluation of their project indiscernible [0:16:21.8] Network Project. That was multiple sites.

Genevieve: Great! I'm just writing that down. So, does AFI have an impact report from the data from our—the congressional data that? Is there anything like that from AFI that we could use or that you could indiscernible [0:16:43.6]?

Emily: Yeah, you should definitely check that out. It's called the Annual Report to Congress. I guess, it's not annual but last time, it was published but I know for sure it was 2010 and so if you just do a Google search on AFI Report to Congress, you'll see they're posted on the ACF website. I'm not sure about how much return and the impact data there is but there is just a lot of really interesting information about things like the average number of full time employees that different sites projects have. So, that's helpful. Maybe it's a couple dozen pages that have helpful, interesting information. In terms of working with financial institution, are you getting funding from the financial institutions that are holding your Project Reserve Account?

Genevieve: Not necessarily, yeah. Not necessarily. They hold it but because indiscernible [0:17:56.8] we hold it and a proportion of support is inaudible [0:18:03.5].

Emily: Right. For different sizes of financial institutions, the Project Reserve Account can be either a really important account to them based on the size of the account or not as important. I wonder if you want to find somebody—I mean, not if you're happy with your financial intuition partner and everything that they're doing and what if you might want to take the time to look for a new financial institution partner that could provide the same level of services and then also provide some funding and the draw for them would be holding your Project Reserve Account and if you have multiple projects, that's, kind of, adding up.

Genevieve: Yeah, definitely! That's a smart approach.

Katherine: I have a question. We have, in the county, an affordable housing trust fund which is part funder is the tax on transfer fees, property transfer fees. It indiscernible [0:19:10.5] the Office of Community Development and there's a First time Home Buyers Program which matches—the affordable housing trust matches dollar for dollar the down payment of an individual up to \$7,500, I believe. Would we be able to consider that as our match—match that up to \$2,000?

Emily: Interesting. I definitely think that you should pursue that. What group is this? Sorry.

Katherine: Commission on Economic Opportunity.

Emily: Okay. Great! What I would say is you would need to enter into an agreement with them because the nonfederal cash contribution has to be deposited into a Project Reserve Account at the beginning of the project.

Katherine: It would be a barrier.

Emily: Yeah, it would definitely take alignment with the County and having and selling this idea to them as a way to get additional investment in down payment assistance for low-income buyers. Could you talk to them about the fact that this would be leveraging additional funding?

Katherine: Certainly, we could but a commitment to match would not be the same thing as they're depositing the dollar amount. Right? That's what you're saying?

Emily: Right. The commitment would just be the first step and then the deposit would be necessary before you could draw down the applicant.

Katherine: Okay.

Emily: If this is the main source of nonfederal funding that you've identified so far, you could work with them on a joint application so that they—

Katherine: That's an interesting idea.

Emily: If they are the actual grantee, the account would be in their name but government agency applicants have to work in partnership with a 501(c)(3). [crosstalk] [0:21:26.2]

Katherine: Thank you!

Emily: Hey! That's what we're here for. That's what we're here for. And you're right on topic because that's partners.

Robin: I have a question. I guess the biggest question that Higher Heights has is that we received a letter saying the reason why we're denied was because our support letters from our partners were not correct. We're not clear on exactly what needed to be in the support letters and how it's supposed to be written.

Emily: That was a new requirement that came out in the middle of last year and it's definitely very detailed. I'm trying to find the page where that is. Have you downloaded the current funding opportunity announcement, the new one?

Robin: No, actually, I have not. I've been working with using the old one.

Emily: No, I'm not going to say it's totally different but it's reorganized.

Robin: Okay.

Emily: And that we actually just posted a recorded webinar to the AFI Resource Center website that's called "An Introduction to the 2015 FOA" and it walks you through the pieces of the FOA as well as pointing out a lot of the differences from the last FOA. I'm not going to promise that all the differences are highlighted because it's whatever I saw and jumped out at me but that could be a really helpful thing for you to view. Again, it's on the AFI Resource Center website under the "Apply" section but basically—so, I pulled out the FOA and the documentation of nonfederal cash commitment is on page 24, the guidelines for that. We also have some resources that we've put together that are on the AFI Resource Center website under the "Apply For An AFI Grant" section as well that are specifically about documentation of nonfederal cash commitment and it's based on who your funders are and it gives a checklist of components you need to have in order to be compliant and then they give an example, like a made up sample. So, if you have your funding is from your own organization, that's the applicant organization and we have a checklist for that and an example of that. So, why don't you take a look at the FOA and the requirements and then take a look at the documentation guidance that we have on the website and look for how you might need to revise the letter. You'll probably need to go back to the funder to get them to revise it and if there's something that you're not clear about, of course, give me a call.

Robin: All right. Thank you.

Emily: Were they third party? Was it public funding?

Robin: There were third parties and there were our funders who were actually giving us the cash commitment.

Emily: So, will you say your funders who were giving a cash commitment, those were—

Robin: Matching funds.

Emily: Right. So, those were third party funders, right?

Robin: Right. Sorry, yes.

Emily: If you want to go to your specific funders and which type they would fall under, the third party, the applicant, state and local individual or source not listed, I can definitely go over that with you.

Robin: Okay. Thank you. I'm trying to get the FOA now.

Emily: Yeah, good. You should have received a blast from the AFI Resource Center. I guess, you all are probably on that list and so in the blast that we sent when the FOA was released, it had a link to it that went on in April. Amy, we haven't heard much from you. Do you have any questions that you want to go over this time about funding, financial institutions or other partners?

Amy: Sorry. I was on mute. Well, we are looking at, I think you, kind of, help answer it with the project reserve question is trying to get our current financial institutions who holds our reserve to, kind of, step up to the plate for us in terms of partnership. So, I think there were some really good questions about how do we talk about with those institutions was the return on investment, the community and I was just even thinking about how the banking industry has some very specific metrics of what their community engagement looks like. So, we're transitioning right now currently away from one financial institution that, as a partner, who's been a very great for us [0:26:49.0] but they don't actually hold our project reserve so we're looking at the financial institution that holds our reserve to help with some of the administrative match.

Emily: Right. Great! So, you pointed out the community ROI impact aligning what their financial institution's goals for their [crosstalk] [0:27:12.0] and then on the other side, you can also talk about the business case for them which is like what we said before, the values for them upholding the Project Reserve Account and bringing in new customers, your students who may need to not have bank accounts before but maybe when they go off to college, they're going to stick with that bank or their parents will start banking with that bank. So, there's just so much to be said for that or they'll need student loan probably.

Amy: Exactly. I would ask an additional question because as you know, Emily, maybe not everyone on the call is familiar but because we provide grants and funds to students, we provide significant portion of the nonfederal match. Is there a value added, I guess, on an application as if we tapped more higher education partners about also serving in that nonfederal match position? If we had the capabilities, should we seeking others, I guess is my question?

Emily: So, this would be to basically, increase your match? Who will see [0:28:27.3] would serve more people or at a higher rate?

Amy: At a higher rate.

Emily: I'm thinking about the FOA. At one point, there was something about the more of your nonfederal match that came from private sources as opposed to public sources, that was a good thing. I don't remember if there were bonus points for that or what and honestly, I don't remember seeing that recently but I think your sources will already be considered private sources. So, I don't think that inaudible [0:29:05.2].

Amy: Okay.

Emily: What I would say is that there is a line in this current FOA about—there does seem to be some level encouraging projects to offer the maximum available match so the \$2,000 per individual of federal plus \$2,000 of nonfederal. It doesn't show up anywhere in the criteria but it is definitely pointed out as a consideration that you are maximizing the allowable federal match per individual. If new funders would help you with that, I think that would be a good thing. And then the other thing to look at is would additional partners help you to get any of the bonus points from key collaboration? So, institutions of higher education are not in there directly but if you're going to partner with one that does with their workforce development agency or maybe you'd partner with what you call the TRIO Program. Maybe that you could count for bonus points under organizations or programs serving opportunity to youth and that would be a way to get bonus points for that new collaboration.

Amy: That's helpful. Thank you.

Emily: Yeah, that's off the top of my head. That's what I'm thinking of and definitely let me know which educational institutions you are interested in talking to. I think that it's my approach that I'm really excited about and anything I can do to help you facilitate that conversation about the transfer of the nonfederal fund, I'd say that that's probably going to be something that you'll have to talk with them very carefully about into account that indiscernible [0:31:15.9] you guys. Katherine at the Commission on Economic Opportunity, do you have a financial institution partner that you're looking at working with?

Katherine: We have about five of them for the accounts that we already hold.

Emily: Okay. It seems like you'll be set then.

Katherine: We don't see [0:31:48.3] a problem there. It's just the match was awful.

Emily: Yeah.

Katherine: We still have a waiting list of applicants.

Emily: Right. Well, good. So, you're thinking about AFI as a way to be able to leverage some additional federal funds. Are those financial institution partners funding your IDA project?

Katherine: A few of them. They have foundations that, you know, \$2,000 here, \$3,000 there because the staffing process [0:32:19.8] so minimal with AFI.

Emily: Right. So, you'd be looking to them for admin support and less on the nonfederal [crosstalk] [0:32:30.8] The participant match or staffing?

Katherine: Yes, staffing support. Not necessarily admin.

Emily: Right. Okay.

Katherine: And they do contribute in kind [0:32:43.7] sources in terms of workshops.

Emily: Great! Thanks.

Robin: Emily, I have a question. This is Robin from Higher Heights regards to the support letters. Now, I did see where it says what should be included in the support letters. Now, should we get support letters from funders or from third parties that are not necessarily giving us a cash commitment but are giving us some other type of commitment whether it's space or anything like that?

Emily: Right. They are only looking for this documentation for the cash commitment.

Robin: Okay. Thank you.

Emily: Yup. Okay. So, we've talked about funders and we've talked about financial institutions and so I guess, we've talked about this larger category of other partners before we wrap up. One thing that I wanted to point out to people in this new funding opportunity announcement is that we, kind of, repositioned the way they talk about the financial education and asset-specific training requirement for AFI projects and now, those appear under something called "Skills and Information for Economic Self-sufficiency" and it talks about how AFI projects must assist participants in obtaining skills and information necessary to achieve self-sufficiency and that examples of these activities include financial education and asset-specific training but they're also broader to include things like financial coaching credit-building services, indiscernible [0:34:34.3] counseling assistance in tax credit and tax preparation. So, it's, kind of, an interesting way that they're reinterpreting what is—I think it's just like a repositioning of that kind of support services that we've all always done and so I guess, I'll be interested to hear from current grantees about do you think you're going to change what you do for the skills and information for economic self-sufficiency to incorporate more of those strategies? Do you think you're going to drop financial education or asset-specific training? That definitely ties into partners because a lot of groups have these types of trainings offered through partners. So, what do the grantees on the call think about that?

Genevieve: Hi! This is Genevieve, Emily. So, Wayne Metro is a Community Action Agency and indiscernible [0:35:44.5] as well. We believe in integrated service deliver model and would like to actually expand upon it and we believe that IDA ties really well with all of these other types of services like financial coaching, text prep, credit building. So, it's a matter of just knowing what the right model that AFI is inaudible [0:36:11.3] perhaps because we would like to grow with the program and expand our services.

Emily: Definitely! Great! Well, that's definitely a position of strength that you're coming from, already having a lot of these projects set up. And so it's something you offer most of that stuff in-house, right? It's not through partners?

Genevieve: Yes, it's in-house but we're always looking to find the best practice so it's in-house. In-house is what we come to do but we always try to partner as well whenever it's a mutual type of win-win situation. We do a little bit of both but that's great. And we also do the financial education piece as well.

Emily: Great! So, what partners do you currently have involved outside of funders and financial institutions that are supporting your AFI IDA clients?

Genevieve: Well, just in general, we have the Michigan IDA partnership which is the state-wide collaborative and then we have the phonetic [0:37:23.9]. We're also part of Wayne County Asset Building Coalition. We try to connect and learn from—and we're also a sub-grantee of United Way and under that, we're Community Financial Center. So, that's how our financial coaching gets integrated.

Emily: So, what does that mean, the financial center? That's a financial coaching kind?

Genevieve: Well, we're part of a network of other organizations that are funded through United Way and we work together to do best practices like we do financial coaching. We try to share similar types of referral systems within our partners and then we focus our personal budgeting, credit coaching and building and we also help each other in terms of ETO [0:38:26.8] and our database and share trainings from the practitioner so that we can serve more clients at the same time.

Emily: Okay. Is the partnership nationwide or is it regional?

Genevieve: I don't know that question but I know that within that indiscernible [0:38:47.1] choice, there is more than that [0:38:49.1] and that's part of that network.

Emily: Great! And so you mentioned being part of an asset building coalition. I think that that's a great thing to point out to some of the prospective grantees is to maybe think about reaching out to the asset building coalition in your area if you haven't already so they can be of service in terms of—there's probably other groups in that coalition who maybe are interested in IDAs but don't have the capacity to do it in-house so they can be referral partners or maybe they have an idea for funders who only can give \$20,000 and they said, "Well, it's not worth doing a whole project for that much." But maybe they could connect you to that funder and they could increase your grant award amount. So, local asset building coalition or state level asset building coalition is a good way to maybe find additional resources both for your projects and for your savers.

Genevieve: And we're starting an America Saves campaign but it's very new so we hope to integrate the savings message with our IDA client.

Emily: Definitely! I see that as being very complimentary, definitely! What are the resources that come with starting an America Saves? Is it support on putting together documents and marketing material?

Genevieve: Yeah, we have a partnership with another indiscernible [0:40:45.7], a Community Action Agency as well and they are providing like a indiscernible [0:40:50.4] website in which participants can make a pledge online and then from there, when they sign off then they create these goals [0:40:59.1] and then they get text messages and then there are some flyers and stuff. So, we hope that with every IDA client and savers that we can encourage that message ongoing, not just because they're IDA but because they have other types of goals as well and we're also integrating that within or text services to [BAD LINE] [0:41:24.3]

Emily: Yeah, definitely! That's a lot of opportunities for synergy there. We're getting to the end of the hour and I feel like we're running out of questions to talk about on this particular topic so I want to open it up to the group and see if anybody has any last questions and then we'll go ahead and end a little bit early. Does anybody have any questions about funders, financial institutions or partners that they'd like to hear from me or from the larger group about? Okay. Then we'll go ahead and wrap up today's call and I hope that you found it valuable. I really appreciate everybody's active participation in the call and just a reminder that we have the next meeting session that we are working towards is going to be in about two weeks and I'll send out a reminder by e-mail probably the day before like I did today with the call-in information and I hope you can join us. We spoke to a lot of resources to the AFI Resource Center website that are updated with the 2015 FOA. So, I'd encourage you to check out the Apply section there. And best of luck! You can definitely reach out to me by e-mail or by phone if you have any questions about your specific application that you want to talk about with me one-on-one. The number for the Resource Center is 866-778-6037. And then finally, if you have any feedback about how today's session went, feel free to shoot an e-mail to the AFI Resource Center, info@idaresources.org. If you have any thoughts or suggestions about how you think we could facilitate these sessions any better or make them more value added for you guys, we're definitely open to that. Like I said, we're learning as we go but I think that was really great to share information and ideas. I appreciate it and thanks so much and have a great afternoon.

Katherine: Thank you.

Genevieve: Thank you, Emily.

[Audio Ends]

[0:44:07.8]