New Grantee Orientation Webinar Two
Launching Your AFI Project
November 19, 2015

Stephanie: Thank you so much for joining the second webinar in the New Grantee Orientation Series, Launching Your AFI Project. My name is Stephanie Landry. I'm a Program Manager here at CFED. In this webinar, you will learn: about basic AFI fundamentals, how to develop a customized approach to implementing your project, and tools that can help you succeed. This webinar will be led by Parker Cohen, Senior Program Manager at CFED, Megan Bolado, and myself.

Before we get started, we have a few housekeeping slides. You have the choices of dialing in with your phone or listening to the webinar through your computer. To listen to this webinar through your computer, just connect your speaker or a headset for best sound quality and set the audio accordingly on the webinar control panel on the right side of your screen. If you are watching this live and you experience technical difficulties, please use the menu on the right-hand side of your screen to type-in a question. On your screen is a snapshot of the interface. You may also use the box to enter any questions you have for the presenters. Please send an email to slandry@cfed.org if you have any technical problems. Please keep in mind that this webinar is being recorded. We muted all attendees to ensure sound quality, so if you have any questions or issues please type them into the query box.

We will make a recording and transcript of this presentation available on the IDA Resources website, which is at the address on your screen, at a later date. This webinar will last for approximately 90 minutes with time for Q & A in the middle and at the end. Feel free to type in your questions using the box at any time. From the last webinar, you learned about the structure of AFI and the Office of Grants Management, the AFI Resource Center, and how to access your AFI Grant. If you missed that webinar, go to the AFI Resource Center to view the slides, transcript, and recording. You need to know these basics and since you will be using them from the beginning of your project.

Today, we will provide a review of AFI program fundamentals and requirements and then, discuss how to design your AFI project. The proposal that you submitted in your application is the framework for implementing your AFI project. Each of you will need to develop a customized approach to implementing your project. This webinar will provide you with the guidance and tools to be successful. Now, I pass things over to Megan.

Megan: Thank you, Stephanie. Assets for Independence was established by the Asset for Independence Act, part of the Community, Opportunities, Accountability, and Training and Education Services Act of 1998. There are three components to AFI: funding grants for IDA projects, supporting grantees and their partners by providing training and technical assistance, an ongoing research and evaluation about project, administration and impacts. Through AFI grants, grantees provide Individual Development Accounts or IDAs and related services to eligible low-income individuals who enroll in an AFI Project. AFI IDA participant accounts are special withdrawal-restricted savings account. Participants can only make deposits, not withdrawals from these accounts except under specific circumstances including eligible asset purchases with the grantee's approval and signature. Participants must make deposits in their account from earned income for a minimum of 6 months in order to purchase an asset.

In this first section, we provided an overview of the AFI program and AFI fundamentals and requirements. Grantees use project funds to match participant savings at a standard rate according to the Grantee Savings Program design. Section 410 requires grantees to match participant deposits not less than once every three months. There are three different methods to match funds. Grantees can deposit match funds directly into the participant's IDA account, however, this is not a common practice because it becomes logistically cumbersome. Grantees can also deposit match funds in parallel accounts. Either one for all participants or one parallel account for each participant. A single parallel account to allocate participants' match funds every three months is preferred for logistical reasons instead of a parallel match funds account for each participant.

Now, let's look at how participants and grantees use saving and match funds. AFI allows for three asset savings goals: first-home purchase, post-secondary education, or training or business capitalization. Each of these three areas has specific rules. AFI allows participants to use homeownership IDAs as long as this is the first home the participant has owned in the last three years. Post-secondary education or training IDAs can be used for expenses such as tuition and fees, books, supplies and equipment required for an enrollment an eligible educational institution. Costs associated with attending many vocational schools are also allowable. Business capitalization IDAs may be use to start or expand a small business. Additionally, a few savers with choose to transfer their IDAs to a dependent or spouse to be used for one of these three asset purchases. Each asset purchase goal has more specific requirements in the legislation. You will likely have questions as you go along to discuss with your program specialist or the AFI Resource Center. Now, I turnover to my colleague, Parker.

Parker: Thanks, Megan. On the following slides we'll discuss the essential AFI Rules and regulations, including the use of project funds, participant eligibility, match rate requirements, matching participant deposit, and financial education access.

All AFI grantees must manage their projects in accordance with the AFI Act of Federal Grants Policy, including the HHS Grants Policy Statement. Link on those resources are showed on your screen.

A key AFI Program requirement is a limitation on uses of funds. AFI legislation spells out exactly how the funds in a project reserved fund, both the federal funds and the non-federal match are to be used. 85% of the project funds, both the federal AFI grant and the non-federal funds goes directly to match participant savings. Now, as you can see on the screen, 2% of the AFI grant funds must be use towards data collection. No more than 7.5% of the AFI grant funds can go towards administrative expenses like program management, reporting, recruitment, enrollment and monitoring. And finally, 5.5% of the AFI grant funds may be used for non-administrative functions like case management, budgeting, financial education, and credit cancelling. The portion of the non-federal funds that is not required to be use for participants match may be use for any of the uses described above, these are described in sections 407C1 of the AFI Act. And these are not subject the same restriction as the federal funds. For example, you may choice to spend more than 7.5% of the non-federal funds of administrative cost.

Section 408 of AFI Act limits eligibility for participation an AFI funded projects. Grantees are required to determine whether perspective participants meet the federal eligibility requirements for participation in the AFI projects prior to enrollment. There are two ways to determine whether an applicant meets the income and qualification criteria.

The first, is that any individual who's a member of a household that is eligible for assistance under their state’s Temporary Assistance for Needy Families Program or TANF is automatically eligible to enroll in an AFI IDA Program.

The second way to determine eligibility, is that any individual who's a member of a household that meets both of the following requirements is eligible. So first, there's an income test. The adjusted gross income of the household is equal to or less than 200% of the federal poverty guideline, and these are revised every year and they're available on the AFI Resource Center. Or, if a household is EITC-eligible. Plus, they must meet the net worth test which means the net worth of the household as of the end of the calendar year preceding the determination of eligibility does not exceed $10,000. This excludes the value of one primary residence and one vehicle.

Now, I know there is sometimes confusion around these issues, so I want to reiterate these two ways to determine participant eligibility. So the first one is any individual who's a member of a household is eligible under their state’s Temporary Assistance for Needy Families Program, or TANF, is automatically eligible. Or any individual who's a member of a household that meets the following mix of requirements is eligible. The income test: the adjusted gross income of the household is equal to or less than 200% of the federal poverty guidelines, or if they're eligible for the EITC. Also, the net worth test: which is when the net worth of the household as of the end of the calendar year preceding the determination of eligibility does not exceed $10,000 but this excludes the value of one primary residence and one vehicle. So, this is a reminder too that the eligibility is determined at the household level.

Another key AFI program requirement is the match rate. Grantees must match participants' earned income IDA deposits with the combined federal and non-federal project funds. Grantees may set the match rate within the following range, at less $1 and as much as $8 of project funds for each dollar of participant savings. No more than $2000 of the federal funds from one AFI grant can provide to one individual and no more than $4000 to one household. No matter what the match rate is, a single participant can only be matched up to a maximum of $2000 in federal funds per grant.

Be aware that AFI grants operate under a different setup cash management rules than most. As we mentioned before, Section 410 requires grantees to match participant deposit to federal funds not less than once every 3 months, either by depositing the matching funds into the participant savings account into one parallel account or into individual parallel accounts. Therefore, grantees must have sufficient federal or non-federal cash or sufficient federal and non-federal cash on hand to cover obligations to participants.

So, AFI grantees must provide participants access to financial education. This can be online or in person and can be done in-house of the grantee or with the partner in the community. Many AFI grantees also provides support service at the participant such as credit counseling and credit repair, training specific to their planned asset such as homebuyer classes or a microbusiness classes, and guidance in accessing refundable tax credit. So those are the key AFI rules and requirements that were discussing today.

Next I'm going to turn in over to Stephanie, but actually, you know what, before that let's pause and since we covered a lot of ground, so far with the rules and regulations, I want to take an opportunity to see if there are any questions out there that we can answer in the midpoint of this presentation.

Great. So we're receiving a lot of question. So, I want to go ahead and answer as many as possible, and just rest assured we're recording all questions so if we're not get to you in this call than we'll be following up with an email to make sure all your questions get answered. Okay.

So the first question, "Can you go over the $2000 limit from AFI funds?" The answer is no. So this is a really strict requirement in the regulation, so. For each grant that you have, the participant cannot receive more than $2000 in federal funds. However, on the non-federal side, you can provide more than $2000 if you wish. But you must at least match that one to one with the federal funds.

One person wants us to return to the matching slide. Let's go back there for just a second and wants us to explain again. So, the main idea here is that you, the grantee has flexibility around determining their match rate. You can match participant, or you can match the participant match funds from one to one up to eight to one. But if your match rate changes from what you put in your application, then you must submit a program design request form. We're going to talk about that a little bit more, later this presentation. But you can work with your program specials around that, but just you know, if you--say you have a one to one match rate now and you're thinking about this and say, "Hey, maybe I want to do, you know, a four to one rate instead." Then, you can talk to your program specialist about how to fill on a program design change form.

Let's see. So, one question is about, you know, how to verify eligibility. So, yeah, the question is, “Do we look at a tax return or go with what the client tell us?” So, common practice for grantees is to look at the prior year tax return to get a good picture because as we mentioned earlier that the household eligibility is assessed base on the prior year. So, that is common practice and I would do something like that or in the absence of a tax return, pay stubs or other methods to verify beyond what the client just tells you.

Let's see. A participant named Robin has some questions regarding the transfer of fund. And we'll reach out to you over email to detail that directly and make sure you have all your questions answered. It seems like you have a couple specific questions.

“Is it a requirement that income is verified or just practice? In working with students it is difficult to obtain parents’ income or tax returns.” You are required to document how you assess eligibility, but the Act does not state directly how to do so. So, you know, but it is definitely best practice to verify income the best way that you can. This question was around working with students and how it is difficult to obtain parent's income or tax returns. But yeah, even though the act just tells you what the eligibility requirement are, it doesn’t tell you how to assess eligibility. Whatever system you have in place should include verification of income to be able to make sure that people are eligible. You have to hold on to that verification to make sure that in case you ever had to prove that a participant was eligible, you could show that you had verified their income. That they were under 200% of poverty, or in a household that is eligible for EITC or TANF eligible.

I think that is all the questions we have now. But--oh, here's one more, “Is eligibility a onetime verification?” Yes, it is.

So if there are any more questions just feel free to type them in as we go and then we'll get to them at the end. So with that I'm going to turn it over to Stephanie.

Stephanie: Thanks, Parker. Now, that we've discussed some key AFI requirements and answered some of your questions, we'll provide you with some guidance and tools to develop an implementation plan to successfully launch your AFI project in accordance with these requirements.

We've organized this information and our suggestions for next steps into an AFI implementation plan. The AFI implementation plan covers the key activities you should complete during the first 6 months of your AFI grant. This implementation plan will enable you to begin enrolling participants within 5 to 6 months of your grant start date and keep you on track to meet your enrollment target. In a nutshell, your project activities will be to find eligible participants, open their IDAs, and have enough time for them to save and purchase their assets before the end of your grant. And there's an effective sequence to laying solid foundation to begin to make progress on this key elements of your project. Throughout this presentation, we will feature resource boxes with links to helpful documents and resources on the IDA Resources website. Please click on these links when the presentation is posted to the Resource Center.

The first step in developing your implementation plan is to confirm your project design. Let's start by discussing what you need to do during the first 3 months of your 5-year grant. First, you should deposit the non-federal dollars into your project reserve fund. Please refer to the first new grantee orientation webinar presented on October 28. A recording of that webinar is available on AFI Resource Center. An important reminder related to the project reserve fund, your application stated the commitment your project has for non-federal match dollars. Please deposit non-federal match dollars into the project reserve funds as soon as possible. You cannot draw down AFI federal dollars and open IDAs until you have drawn down sufficient funds to cover their saving match.

The AFI legislation establishes requirements related to participant eligibility, income requirements, match rate and lengths of time participants must save prior to making their purchase. But much of the actual design of the project is up to you to customize in order to best serve your IDA participants. Reviewing and assessing the critical project elements in the original application will provide a framework to make key decisions about your project. While you review your original application, you may find that you can already see that you might do things differently or better than the project design that you put forth in your application. Consider if any changes have occurred within your organization or externally since you've submitted the application that affect your project. For example, have you had staff changes or partner changes that might affect implementation or require new agreements? Also consider: the AFI IDA target population, the match rate for participant savings, participant savings goals, the period of time required to save, and calculate the number of asset purchases you plan to complete to use your project funds.

After reviewing your application and considering any changes that may have occurred since then, if you think you may want to change during the aspect of your project design, you must discuss this change with the authorized representative who signed the application as well as your AFI Program Specialist. Changes must be formally requested in a program design change form and signed by the authorized representative. The key in delivering a consistent AFI project is to develop internal AFI policies that meet the requirements of the AFI legislation. The link in this slide provides you with information regarding changes that can be made to your project and instructions for making these changes.

AFI gives wide discretion to grantees to decide on a geographic service area and targeted participants. As long as the AFI project participants meet the eligibility criteria discussed earlier in this webinar. Per AFI legislation, AFI IDA participants may save only earned income in their IDAs. So it is important that you target potential eligible participants who have an income stream. To help identify the savings-ready participants in your area, you should consider the needs and capacity in your community. Develop a plan to identify existing resources that would have the information you need to assess employment rate, banking and credit union characteristic, education trends, small business trends, demographics, and the local housing market. Also, assessing the needs of your community can help you decide where to target your resources. If you do a scan of existing asset-building services, you may find that others in your community are already doing the work that you plan to do and you may want to switch focus or partner with them to serve your participants in complementary ways.

While you are defining your target population, be sure to keep the AFI Act eligibility and participant requirements and federal anti-discrimination requirements in mind. Grantees may not screen out eligible applicants because of race, religion, national origin, age, gender, or disability.

You can offer just one of the three allowable asset purchases or all three. But keep in mind that you should choose asset purchases option base on the needs of your target population. They're ability to save local market condition and partnership opportunities as well as your grant requirement. For example, some communities may have a very limited affordable housing stock making it very difficult for participants to purchase a house. In those cases, allowing participants to focus on education or business rather than homeownership, may be a viable strategy to consider. Timing from education IDA may affect success as well. Target recruitment so that participants will be able to use savings and match for the following fall and spring while meeting the minimum 6 months requirement for saving before withdraw. Thinking ahead will maximize the number who are successful and speed up completion of your projected number of asset purchases. The business IDA relies on current trends for services or products in your community. Understanding the climate is crucial in providing your participants with the support they need leading to successful purchases and long term viability of their businesses. The links from the screen will provide further detail on considerations around each type of asset.

As noted earlier, you will have to determine how many participants your project can support for making asset purchases and how you should set your match rate within the AFI guidelines. This table shows how varying your match rate affects the amount that a participants has to save to attain the full federal and non-federal matches. Setting your match rate at in appropriate level for your project and your participants is critical for success. While the match--while the rate on which you set your match rate can range from 1 to 1, to 8 to 1 per the AFI legislation. The maximum federal dollar amount per participant per AFI grant is $2000. There is no limit to the amount of non-federal dollars a project can provide towards asset purchase. As you determine your match rate, consider that setting it too low may hinder your participant from saving enough money to purchase their asset. The match rate can be set at different rates for the three different types of IDAs: homeownership, education and business. Communicating the different rates to participants is very important so that there is a clear understanding that if they move from type of IDA to another, the match rate may change. Basically, you need to balance the realistic costs of the asset, your participant's ability to save, the length of time they will have to save, and the total number and types of asset purchases your project is committed to. The link in this slide offers ways to think about the balance as you review the match rate for your project. Please visit this website by clicking on the link in this presentation. And now, I'll turn it over to Megan to talk about step two.

Megan: Thanks Stephanie. Okay. The second step in developing your AFI grant implementation plan is to develop and formalize partnerships. Partnerships are key to AFI project implementation. These partnerships may include financial institutions, recruitment related partners, or implementation partners, including organizations that provide financial education or other services. Non-profits such as Habitat for Humanity, local collages, free tax preparation sites, Head Start sites, and local government offices serving low-income households can connect you with potential project participants and help with marketing.

In our first webinar, we discussed how to setup the project reserve fund to hold your federal and non-federal funds. Here, we turn to a discussion of where and under what terms the IDAs will be held. As with the project reserve fund, you'll need a clear memorandum of understanding that spells out the rules and responsibilities for your financial institution partner, your participant deposit terms, and your access to deposit and withdraw information. Please note, you must establish the project reserve fund and deposit non-federal and federal moneys *before* opening participant IDAs. You will select one or more financial institutions to hold the IDA account and establish a written memorandum of understanding. Now, you will contain the details of the partnership and features the account such as withdrawal limitation. Again, funds should not be withdrawn by the participant without the consent and signature of the grantee. The IDAs will be low or non-cost accounts that require your organization's approval for withdraws. Only when the saver purchases his or her qualified asset or for an emergency as outlined in AFI legislation and your project policies can the funds be used to make a qualified asset purchase. Note however that emergency withdrawals have limitations that affect continued participation in your project. The accounts should be through multiple deposit options such as direct deposit, in-person with cash, or through an ATM. Locations also should be accessible to the target population. It is critical that participants are able to easily access the financial institution's services. And finally, the financial institution should be willing to provide the AFI IDA project with regular reporting of participant data such as account balances to help IDA program staff track their participants and measure their progress. The links from the slide take you to a template and a webinar that may assist you in developing financial institution partnership for your AFI project. Please visit the website by clicking on the link in the presentation.

Okay. So to help get potential participant in the door it is helpful to develop referral pipelines from other organizations. Many successful IDA programs get participant referrals from partners such as social service agencies and organizations who provide complementary services. Especially those that focus on assets such microenterprise or homeownership. Additionally developing partnerships with businesses to provide their eligible employees with IDAs may be a good potential referral. And those with referral partnership in the early stages of your program can help boost your tension and help your AFI project succeed. Use Tool 9 in Building Financial Capability, a planning guide for integrating services to help you design effective referral partnerships. The links in the slide includes strategies and a webinar in best practices for developing strategic partnership. Please visit these websites by clicking on the link to this part of presentation.

Grantees should ensure that they have a strong network of partners to support their project design. It is the grantee's responsibility to establish an oversight plan to guarantee that all project partners comply with all AFI and project requirements. When developing your oversight plan, consider different methods of ensuring quality assurance including monitoring or site visits and detailed agreements. It's important to clearly define roles and responsibilities and data collection protocols and to provide necessary training and technical assistance. And now, I'm going to turn it over to my colleague, Parker.

Parker: Thanks, Megan. So the third step in developing your implementation plan is to develop policies and procedures. Successful AFI projects take the time to think through and write down policy and procedures early in the game. So, just to define these terms a little bit. A policy is a principle to guide decisions and achieve intended outcomes. As a statement of intent, it is implemented as a procedure. Once policies are established, you should write procedures describing how your organization implements its policy as well. Written internal AFI IDA project policies are important because they ensure that processes and rolls are clear and applied consistently for all participants. They also help create institutional memory. So if there's staff turnover, new staff can quickly get up to speed on the project policy. This policy should include requirements in the AFI program as well as your internal requirements based on your project design. This slide lays out the key areas for which you should have written policies and procedures. Some of which we will discuss in more detail.

Critical procedures for application intake of new AFI IDA participants should be established. Participants must be able to meet and document the income and net worth--and net worth eligibility requirement of the AFI legislation or reside in a household in which one member of the household is TANF eligible in your state. This is what I was noting earlier with that question, so you really do need to document the income and net worth of applicants and make sure that you keep records of this over time. And so once eligibility is established, participants must have earned income as defined by the Internal Revenue Service deposit funds into an IDA account. Finally, participants must be able to open and maintain and withdraw restricted bank account for minimum of 6 months. Participants will deposit their savings for future asset purchase into this account and your financial institution partner will establish any account requirements. Be sure the application intake process is documented, that all required documents from the applicant are clearly dated and all staff are well trained. Eligibility guidelines and required documents should be clearly communicated to participants in the application so they know what to expect and come prepared. So it's very important to create an application intake system to quickly determine applicant eligibility to keep moral and interest high. So this goes for both potential participants as well as your staff. Having a good application, intake system that quickly determines eligibility will make it easier on your staff and make you more efficient and it will make it easier for applicants to stay interested in the process. So the resources listed in the box at the bottom of your screen offer a few different methods that can help you streamline eligibility determination. And they also include an interactive eligibility tool. There's also link to the Internal Revenue Service website offering guidelines on earned income. So we recommending you look at all of these. And the earned income piece is really helpful as well to help you think through which of your participants are savings-ready and have what it is considered earn income.

Saving Plan Agreements should be signed by participants and the grantee representative when they enroll in the project to establish expectations for a successful process and asset purchase. It also protects your AFI project so that you can terminate participants if they don't follow program rules, and also refill their slots of participants from a waiting list of people who will complete the program.

There are few important things to keep in mind for your saving plan agreement. First, AFI requires participants to save for a minimum of 6 months from the date of the first deposit to be eligible for matching funds. Second, the minimum monthly saving amount that IDA participant must deposit into their account each month is set by the saving plan agreement. Grantees must be certain that their participants will have enough time to meet their saving goal to purchase their asset by the grant end date of your notice of award. Third, do not enroll a participant under your grant if they will not be able to save and make an asset purchase prior to the end of the grant. Eligible just not mean able for any number of reasons. The savings agreement should also include other details such as terms of allowable emergency withdrawals and who may receive the savings in the event a participant dies. The link in the slide takes you to a sample savings plan agreement. Please visit this website by clicking on this link. And just as a reminder this presentation will be made available on the AFI Resource Center, so you'll be to go through and click on all these links at a date a very near future.

So AFI does not set the details of financial education requirements. Historically, successful project offered general financial education in addition to asset-specific education to their participants. However you choice to provide financial education, be sure participants acquire the skills they need to manage their money and save during the IDA program as well as maintain their asset purchases. So there are few considerations you should take into account when designing your financial education program. Number of hours required for both general and asset-specific training. So it is important to strike a good balance in your education requirements. You want participants to be able to learn about the personal finance and tools they will need to succeed with their asset purchases. But you also to want to over burden them and setup barriers to keep them from completing the program. It is all about striking that right balance.

Next you should consider the curriculum. The curriculum you use will be very important in helping your target population succeed. It's important that any curricula you choice are appropriate for your target population take into account language and other cultural issues. Other factors in choosing a curriculum include literacy levels, age and life experience.

Then, you should consider the delivery method. Will your financial education will be delivered online, in person or in the combination of the two? Once again, you should consider what works best for your participants and your target population. If you serve a rural population where could be very burdensome for participants that come to in-person training, you may want to allow them to complete some of all their financial education online. Or, it may suit your population best to have it in-person and have that training taught by an experienced instructor.

Lastly, you should consider the provider - whether it's IDA project staff or someone from outside the organization. If you have people with the skillset and capacity within your organization, you may want to provide this financial education yourself. If not, you may want to partner with the financial education provider in the community. This provider must be skilled and have an understanding of your target population. They must be culturally sensitive and aware. Some financial institution partners may have staff that are able to deliver financial education. The link on the slide will provide resources to plan, deliver financial education to your IDA participants.

All right. So, now, we'll move along to assets-specific requirements. Each asset purchase has specific requirements in the AFI Act stated in section 404 such as: the definition of a first homebuyer, eligible educational institution, and qualified plan and the definition for business capitalization IDA. You will want to consider all AFI requirements that must be integrated in the policies you create regarding each of your--the asset types that you provide. Finally, do you plan to require any assets specific training? We mentioned that on the prior slide. So, if so, this is something that you should also include in your policies regarding any assets specific requirements.

You also need to develop policies and procedures with regarding withdrawals. So there are three major categories of withdraws. You may make withdraw for completing an asset purchase. You also may have an emergency withdraw. So keep in mind that the AFI Act in the Section 404(3), sites the reasons for an allowable emergency withdraw. These include: payments necessary to prevent the eviction of an individual from a resident, or to prevent foreclosure on a mortgage for a principle resident of the individual or principle of resident of the individual, or payments that enable the individual to meet necessary living expenses following a loss of employment. So to reiterate that, the three allowable emergency withdrawal categories are: in order to prevent eviction, or to prevent foreclosure, and those that enable an individual to meet necessary living expenses following the loss of employment.

You may also what to consider what will happen if you need to terminate participants or if for any reason a participant chooses to un-enroll in your program. You should develop policies and procedures for how those funds will be withdrawn given that the participant is no longer in the program.

Is also very important to develop policies and procedures around how your organization will collect data. Tracking participant progress is critical to running a successful AFI IDA project. You will have regular reports on the progress of your project and you will need the same information to review progress internally and make changes if necessary to achieve your goal. This information can also help the AFI program provide targeted and specific technical assistance. Before enrolling participants and opening IDAs, develop a system to track your participants' progress over time. This process should consist of data tracking mechanisms, to track numeral and narrative data, and also scheduling check-in meetings with participants to make they're on track to meet their saving's goal and also to head off problems that may affect their ability to complete the program. You should use tracking software to monitor participant progress and monitor obligations and expenditures from the project reserve fund. The link on this slide is a common practice resource for tracking participants successfully. So, that's a lot of project policies and I'm going to turn it over to Stephanie to talk about establishing recruitment goals and strategy.

Stephanie: Thanks Parker. So the fourth step in the process to develop your implementation plan is to establish recruitment goals and create a strategy to achieve those goals. During the step, it is important to think about: how many savers you can enroll in your project, how you can recruit individuals that will be successful in your project, and what your strategies are for meeting your recruitment goal.

Before you can begin outreach, you must first determine your enrollment goal. You will need to calculate the number of participants your project will need to open IDAs, reach their savings goals and make asset purchases to successfully complete the work plan in your grant application. First, determine the amount of funds allowable for savings matches. As a reminder, 85% of the project funds, both the federal AFI grant and the non-federal fund go directly to match participant's savings. 2% of the AFI grant funds must be used for data collection. No more than 7.5% of the AFI grant funds can go for administrative expenses like program management, reporting, recruitment, enrollment ,and monitoring. And 5.5% of the AFI grant funds may be use for non-administrative function like case management, budgeting, financial education, and credit counseling. If you spend less than the legislative percentages on administrative or non-administrative functions, you may increase the number of participants.

To figure out the number of asset purchases, you would divide the available amount for saving matches by the maximum match for each individual in the program likely $4000 as described in the slide.

Here is an example for an AFI grantee with a notice of award which states that the grantee has received $100,000 in federal funds. Added to the $100,000 in federal funds is $100,000 in non-federal match for a total project cost of $200,000. If we subtracted 15% which would be

$30,000 allocated for data collection, administrative and non-administrative function per the AFI legislation, there's $170,000 remaining for matching participant saving. The $170,000 divided by the maximum match of $4000 which is $2000 federal and $2000 non-federal will yield 42 participants for the maximum number of asset purchases.

Keep in mind that it is unlikely that every participants who opens an IDA will reach the savings goal and make the asset purchase. Once you have opened enough IDAs to reach a project goal, you also need policies for retaining IDA participants and managing a group of potential eligible participants on a waiting list. It's important to make a goal of the grant application.

It is also important to customize your recruitment strategy to find potential participants that are strong candidate. We have several tips to help you with recruitment. Use language that resonates with your target population and be aware of cultural differences. Use social media and place project information in highly visible locations frequented by your target population. Focus on benefits of the AFI IDA and tailor them to the needs and dreams of your target population. Think about the most trusted messengers or who in the community would be best to promote your program. Also consider how widely you want your message to circulate. You may be better off with the targeted approach that will attract those most likely to participate and succeed. It's also a good idea to include in your data collection how participants hear about your AFI IDA project, so that you will know which strategies are most effective.

You may also consider using incentives to register participants such as providing parts or support for training attendance such gift cards, raffles, refreshments, a transportation voucher, or childcare. But be careful to use non-AFI resources for these incentives.

It is important in thinking about your recruitment strategy to identify participants that are ready to participate. You may want to consider internal recruitment, outside referrals, or readiness assessment tool. AFI can be a demanding program, so you want to make sure you select participants who are in a position to save and are motivated to complete their saving goal.

You also need a plan to prepare ineligible applicants to become a saving ready participant in the future. For example, applicants who have recently filed for bankruptcy have extremely low credit or have unstable employment or housing are mostly likely not savings ready. You should consider referring these applicants to other support services and invite them to come back when they are more likely to be able to save and complete an asset purchase. Recruiting savings ready participants is essential to the success of your program, because good program retention and completion outcome start with good recruitment. The link in the slide is a promising practice resource for recruiting AFI IDA project participants.

Now, let's talk about how to boost your enrollment. There are proving strategies to boost enrollment of your AFI IDA program. The application process should be as streamlined and efficient as possible to keep potential participants engaged throughout the process and reduce hassle factors. Here are few importance tips. Keep your application as short as possible while still collecting the necessary information. Minimize the number of step in the enrollment process so participants aren't required to make multiple trips to your organization to complete the process. Laying out the document requirements upfront and making sure participants know exactly what they need to bring in and what facilitate that. Keep participants aware of their status throughout the application process. Send reminders such as text messages about items they need to bring in. Make sure once the client is selected, that they have a quick easy process in place for them to open their IDA account. If all of your slots are currently filled, encourage those on your waiting list to consider financial education, working on credit repairs, setting up emergency savings or other activities that might help them even if they don't get to open and IDA, or will make them even more likely to succeed when they do. Partners may be especially helpful in this area. Periodically, revisit your policies and procedures and update any inefficiencies. Maintain contact with other programs through IDA website and listservs to learn best practices that you might adapt to improve administration of your project. The link on the slide is to webinar on behavioral strategies to improve recruitment, enrollment, and retention of IDA participants. And now I will turn it back over to Megan.

Megan: Thank you, Stephanie. All right. So once you have of all these elements from the implementation action plan in place and have drawn sufficient funds to cover savings matches, you'll be ready to enroll participants and open IDAs by the fifth or sixth months of your project. Remember, you cannot begin enrolling participants until you have deposited non-federal match and then federal dollars into your project reserve funds sufficient to meet the obligations of your savers. AFI has several resources to help support you as you implement your project including the AFI Resource Center website and help desk, AFI program specialists, capacity building experts that can provide you with technical assistance, and also plenty of materials including tools and templates.

Next, before we wrap up, we'll show you with--we'll talk about an excellent tool that can help you throughout the life of your grant, and this is called the benchmarking tool. The benchmarking tool in the AFI Resources Center is a useful tool that can help you get your grant off the ground and plan your projects. You can use this tool to set goals and benchmarks for project implementation. Also track progress over time and make course corrections as needed. The tool is available at the link on your screen.

So what is this benchmarking tool do? The first part details project milestone and recommendations for benchmarks and timing for hitting these benchmarks. And the second part, you can enter your own information, set your own benchmarks and then, track your progress as you go. Critically, this tool allows you to asses where you are compared to your benchmarks and adjust your work plan and approach to ensure that you stay on track.

On the screen you can see the critical milestones for your entire grant that are included in the benchmarking tool. Each of these milestones builds on the one before. This can also service the refresher for the first two new grantee webinars. These milestones at a high level—we'll just go over them—first, taking the step of depositing your non-federal funds into your project reserve fund or your PRF which is required before you can draw down your federal grant funds to your PRF. As we've noted several times, depositing your non-federal funds and drawing down your federal funds are an important early milestone because you cannot enroll participants and open participants IDAs until you have enough funding in your PRF to cover the savings match for each participant. Also, opening all participants IDAs early in the grant period to give participants enough time to complete their financial education and assets specific training as specified by your project requirements, reach your savings goal and complete their asset purchases.

All right. So to summarize, the four steps to developing your implementation plan. First, set up your project reserve fund and deposit your non-federal and then, draw down the corresponding federal funds deposit. Then, review your application and make any key design decisions. Second, confirm and formalize project partners. Third, develop policies and procedures. And fourth, create a recruitment strategy. Also, remember to speak early and often with your program specialist.

Two more items we'd like for you to keep in mind. First, use the AFI Resource Center. It's there to help you get your project up and running and help you be successful throughout your grant period. Also, revisit your work plan and benchmarks often to see if you're on track or if something needs to change. All right. So we know that that’s a lot of information. Let's make this an opportunity for you all to ask questions. What questions do you have about AFI rules and requirements or developing your implementation plan?

Parker: All right, thank you. We're getting a few questions coming in. So, one question is, “During the last year of a grant, can we open up new accounts if they can save and spend the money within a year?” Yes. That’s correct. You can enroll savers at any point in the process. And yes, ideally you'll be enrolling them if you asses that they do have the ability to save and purchase that asset purchased in the last year.

Question is, “Will you be sending a link to the PowerPoint?” Yes. So we'll send you a copy of the PowerPoint in email and we'll also be putting it up on the AFI Resource Center so you'll be able to all to find online in the near future.

“Is there ever a time when a purchase can occur after the end of the grant period?” The answer is no. All purchases must be made within the grant period. There--you can receive a no cost extension of one year after the fifth year of your grant, but after that there are no purchases can be made.

“If someone is younger than 18 and working, can they open an account?” I think there's a question earlier that I didn’t get to that was the same. The fact to the answer is yes. They of course have to meet the eligibility requirements and have to deposit their earned income into the account once the account is open.

There's a question about monthly account statements and I'm not sure quite the nature of the question but I think, you know, it's really--I mean you need to be tracking your participants' deposits so that you can allocate match for them and ultimately match all their funds when they make an asset purchase. And so to do that, you need to be--as part of your memorandum of understanding with the financial institution, you need to be receiving bank statements or sometimes if you are working with a strong financial institution, you can receive all of that data in one file like a CSV file that you can open in excel. They can be easily transferred in the tracking software and I see that is a good transition to another question.

"How we get access to tracking software?" So, grantees do all sort of things for tracking their participants' deposits. So some use excel and do hand entry, you know, that's the cheapest, but I--you know, it also it's prone to error and it's also time consuming for the grantee. There are other software packages available. We don't recommend any of them in particular, but we know that many grantees use what's called Outcome Tracker which a product by a company called VistaShare. Some use Efforts to Outcome otherwise known as ETO. Others that are in bigger organization does have strong IT department, have their IT department design something that they can use to track. So there's not, you know, one way to get access to tracking software. There are a number of resources out there and if, you know, this individual wants to reach out us individually we'll be happy to answer further questions. But grantees track this in many ways and use many different types of software.

"Does a monthly statement need to be send to the participants?" And yeah, that is common practice. It's really important for the participants to know how, you know, be able to track how much they've saved. If you have the software package Outcome Tracker, that has a function that where you can send in some cases, you can send statements to the participants and it can sometimes even have like the, you know, how much they've saved and the match that has been allocated to their account. There are few ways you could use, but yeah, it is really important that participants are able to see how much they've deposited.

"Is it mandatory that we have access to the individual IDAs or can we just provide the monthly statements or have the participants provide the monthly statements themselves?" I don't believe there's a rule around this but it's really--you know, I would really strongly encourage you not to be reliant on your participants to get the monthly statement, just because that could cause a lot of difficulties especially if your participants drop off or aren't in contact with you for a little while. It's best to have a relationship with the financial institution to be able to get these. And typically with the arrangement, if your account products are set up so they're withdraw restricted, it will require your signature financial institution are fine sending you that information.

"Is AFI squared available for tracking?" So this was an old resource that AFI used to have. The tracking system is available to grantees and it was discontinued so it is no longer available.

So there are a couple of questions here that we'll follow up with that a little bit technical about transfers of IDAs to dependents and a couple of other items. So if you don't--you hear me answering your question, it's just because it's going to take a little bit of time to write out a more complete answer. So we'll be following up with you. And you can also of course email us with more questions as they come to you.

Are there any other questions that folks would like to ask?

So age requirement. There is no age requirement but, you know, in practicality if participants need to deposit earned income, then they need to be, you know, working and receiving earned income, so. You know, you may set an age requirement at--for your project.

Any other questions before we move on and wrap up? I'll give you just another moment to ask questions.

So there are some questions about who can deposit funds into the account. Basically it's the expectation that the person whose account is open should be depositing earned income, their own earned income into the account. So, if a parent has earned income but not the child and then the IDA should really be in the parent's name. And--yeah, so I think that's the answer to that question.

The question around meal plan and housing for education IDAs. Yeah, you're correct in your assumption that is not allowed. It's for the tuition fees and other educational expenses. So not things like meal plans.

So another question about parents. "Can the parent have the account open but not have financial training?" So whoever, you know, has the account open should be the one who's receiving the financial education. And so, you know, I wouldn't try and get to tricky with that.

"Once a participant account is open, is it required that the match funds be immediately deposited or is there a certain period that it must be deposited within?" So, I'm going to try and answer this question the best I can. I think, you know, what you might be getting at. So there's a minimum of 6 months before someone can achieve an asset purchase. So they can start of course depositing, making deposits immediately. They can't receive their full match funds until after 6 months. In terms of allocating match funds so as the grantee – so if a participant deposits a hundred dollars over the course of three months--what the Act say, is that you must be allocating match every quarter. So, if someone deposits $100 over three months, you should move $100 into a project or a parallel account that allocates the match funds. So, I think that is answering the question but feel free to clarify if you're trying to get something a little bit different.

I don't see any other questions. But I'll give you another minute as well because if you came after that.

Oh, okay. So I think--I think I understand what you're getting or getting at now or someone else, so. Question, “Must all match funds be deposited at once in the beginning or simply have a prior to when the participant contributes?” Best practice is to have all of your non-federal match, you know, in your project reserve fund and draw it down all of your federal funds. So you have all the money in that project reserve fund that you can spend during the life of your grant. If you do not have all of your non-federal match in place, you can deposit--you can put those--the match funds that you do have into the project reserve fund and draw down a commensurate amount of federal funds. So if you have a hundred thousand dollar grant but you only have $50,000 to put in, you can put $50,000 and draw down $50,000 of the federal. But you can only enroll enough participants to that--so that you would be able to cover all of their asset purchases. So for instance, if you have, you know, a $100,000 in your project reserve funds instead of $200,000 thousand dollars, you should not enroll anymore participants than you can provide a hundred thousand dollars in match to. So if you enroll too many participants that you don’t--and you get in a situation if they all make their asset purchases and you do not have enough money in your project reserve fund you're in trouble because you can’t obligate funds to them. So that’s why it's so critical to make sure that to do the calculation that Stephanie was walking through earlier about the number of savers you should enroll depending on how much you're expecting them to save.

Right. So I'm going to go ahead and start with a couple of wrap-up slides. But if you have any other questions, feel free to start asking them. So, you know, the first thing here is just a reminder. So we have our next webinar. This is on data and reporting. So it's a Tuesday December 8. So this webinar will explain the types of reports you are required to file and the reporting dates. Also includes discussion of using data to manage your project. So, we really hope you're able to attend this one as well. We really think all three of these webinars are really critical and it's also going to be really useful for you to go back and look online once their updated on the AFI Resources Center for you to be able to refresh your memory and use these as tools as you're getting your project started.

Also, we want to let you know that of course, you know, the AFI Resource Center is a great resource for you. The link is on the screen. Also, feel free to use your help desk. One thing is not on the screen. So, I'm getting a lot of, you know, pretty technical questions about the legislation, about requirements coming in here. And you know, we're happy to answer them, but your program specialist is your main contact for these question, so. You know, if anything--if you any questions come up after this webinar, anything as you're getting started, please contact your program specialist and ask them these technical question. They'll be happy to help you out. There's also the help desk resource that can help you with, you know, kind of simpler questions.

All right. So, I think, you know, we're going to go ahead and wrap up here. Okay. So there's a couple of questions that we got there were--that will require a little bit of complicated answer. So we'll be reaching out to you, but also please feel free to reach out to us at CFED so the email address that Stephanie mentioned earlier slandry, S-L-A-N-D-R-Y@cfed.org. Stephanie can take your questions and we can get you a good answer. So yeah, feel free to reach out to us, your program specialist and good luck and congratulation with your new grants. Take care everybody.