



Introduction to AFI

New Grantee Orientation Webinar Series

October 27, 2016

Parker: Good afternoon and thank you for joining the first webinar the new grantee orientation series on Introduction to AFI. This four-part webinar series is a great resource for grantees of all experience levels to receive an introduction to the AFI program as well as refresher on program requirements to ensure the successful implementation of your grants. In this webinar you will learn about the key federal offices that help you implement your AFI grant, their roles and how to contact them. You'll also learn how to drawdown AFI grant funds and how to locate grantee resources for managing an AFI grant.

This webinar will be led by: Vernae Martin, Branch Chief of AFI Operations and the Assets for Independence office; Stephanie Landry, a program manager at CFED; Santiago Sueiro, a program associate at CFED; and myself, Parker Cohen, an Associate Director at CFED.

Before we get started, I'd like to go over a few housekeeping items. You have the choice of dialling in with your phone or listening to the webinar through your computer. Select the appropriate audio option on the GoToWebinar control panel as pictured on your screen. You can ask him a question at any time by using the chat box in your GoToWebinar control panel or raising your hand to request to be unmuted.

If you are watching this live and experience any technical difficulties please type a question in the GoToWebinar interface or email us at slandry@cfed.org, that's slandry@cfed.org. We will help you troubleshoot your challenge.

Please keep in mind that this webinar is being recorded. We've muted all attendees to ensure sound quality so if you have any questions or issues please type them into the query box. We'll be making a recording and transcript of this presentation available on the AFI Resource Center website just the address on that you'll see on your screen at a later date. This webinar will last approximately 19 minutes with time for Q&A in the middle and at the end. Feel free to type in your questions using the chat box at any time.

Okay so let's go ahead and get started. The primary objectives of this webinar are to: first provide an overview of the AFI program also identify the federal offices that help you implement your AFI grant, explain the roles of these offices and how to contact them and understand your first steps in launching your grant which include setting up your reserve fund and accessing your AFI grant funds. You can reference the webinar later on the AFI Resource Center website, if you need a refresher or looking for information on a particular topic. We'll send you an email with the link once it is available online. Now I'm going to turn it over to Vernae.

Verna: Thank you Parker and welcome to AFI. In this section we'll introduce you to AFI and provide you with information on key federal offices and development resources available to support you and the delivery of your AFI grant. First we'd like to give you some information that shows how the AFI programs fit within the broader federal context.

Assets for Independence is one of the social service and community development programs administered by the Office of Community Services within the Administration for Children and Families, one of the operating divisions of the Department of Health and Human Services. In the next couple of slides we'll give you a brief overview of these departments.

The Department of Health and Human Services' mission is to enhance and protect the health and well-being of all Americans through fostering advances in medicine, public health and social Services. HHS is made up of 11 operating divisions, 8 of which are related to Public Health like the Food and Drug Administration and the Centers for Disease Control and Prevention and three of which are Human Service Agencies.

The Administration for Children and Families is one of the key human services agencies within HHS. ACF promotes the economic and social well-being of families, children, individuals and communities and is responsible for funding many programs and services including Head Start, child care, child welfare, child support. We have Family Violence prevention, TANF, CSBG, and Refugee Services.

The Office of Community Services is the lead office that administers the AFI program. OCS manages grant competitions, awards grants, develops program policy, provides guidance and interpretation of program topics and issues, monitors grantee progress and ensures that grantees succeed with their IDA projects.

The Assets for Independence program was established by the Assets for Independence Act, part of the community, opportunities, accountability and training and education services Act of 1998. There are three components to AFI:

1. Funding grants for IDA projects
2. Supporting grantees and their partners by providing training and technical assistance
3. Ongoing research and evaluation about project administration and impact

Through 2009 HHS has funded 611 AFI projects, totalling approximately 180 million dollars. Through AFI grants, grantees provide individual development accounts and related services to eligible low-income individuals who enroll in an AFI project. AFI IDA participant accounts are special withdrawal-restricted savings accounts. Participants can only make deposits, not withdrawals, from these accounts except under specific circumstances including eligible asset purchases with the grantees approval and signature.

Participants must make deposits in their accounts from earned income for a minimum of 6 months in order to purchase an asset. Grantees use the federal AFI grant and an equal amount of non-federal funds held in a reserve fund to match participants' savings at a standard rate according to the grantees

project design. We will cover this in much more detail later in this and other grantee orientation series webinars.

AFI IDA holders use their savings and the matching dollars from the federal grants and non-federal funds to purchase an allowable asset: a first home purchase, post-secondary education or training or business capitalization. Additionally, some will choose to transfer their IDA's 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 and we will discuss this in more detail later in the new grantee orientation series.

There are three key federal entities with which you will interact with over the life of the grant, the AFI Program Office, the Office of Grants Management and the Program Support Center.

In the following slides, we will introduce you to each one and explain how it serves you and how to access the office or system. To the right of each entity, you'll see the key aspects that we'll cover in subsequent slides.

We'll start off with the AFI Program Office. The AFI Program Office is the federal office that administers the AFI program. This is home to the AFI program managers and Program Specialists. Over the next few slides we are going to present information on three components of the AFI Program Office:

- AFI Program Specialists
- The AFI Program website, and the
- AFI Resource Center website

The AFI Program Specialists are the first point of contact for AFI grantees. AFI Program Specialists are the federal representatives assigned to particular area and are responsible for the overall programmatic aspect of your grant. They provide you with legislative guidance, review your performance progress reports and answer your questions on a host of program topics, such as eligibility, program design and uses for the AFI IDA's.

For new grantees on the webinar, you may have already had an introductory call with the Program Specialist or you shortly will and this will be followed up by the additional calls in the near future. It's a good idea to take time to reread your funded application and to think about your project and the needs you may have to prepare for these calls to bring those concerns to your Program Specialist. Your specialist will also review your regular progress reports. Later in this series of webinars we focus on reporting – the what, when and how of your funded project activities.

The AFI program website features official policy resources for AFI. These include: the AFI Act (the authorizing statute), Information Memoranda or IM which provide official policy guidance and Annual Reports to Congress.

The AFI Resource Center is the access point for the various resources you'll need to manage your AFI project. You'll find information such as these resources listed on the slide and more. Here's what the AFI Resource Center looks like. To keep up with Resource Center events, periodically check out the calendar which lists dates and registration links for AFI training conference calls and other activities of interest to

grantees. In addition, by clicking on the button you can find information on managing your grant, reporting requirements, contact information, how to apply for future AFI grants and much more.

We particularly encourage you to explore managing your AFI grant and the AFI grantee toolkit under topics and tools. These how to documents, templates and checklists are useful resources for grantees. You can also find tips and resources to serving special populations such as Native Americans, refugees, survivors of domestic violence youths and people with disabilities. The Resource Center publishes a quarterly newsletter on grantee accomplishments and new information arising from the field and will send you occasional email blasts when there a special upcoming events or changes in policies or procedures. The AFI Resource Center is your main go to website for grants related subjects. Make sure you bookmark it onto your computer.

The AFI Resource Center was created to provide training and technical assistance to AFI grantees, their project partners and other related organizations. The Resource Center offers a range of services designed to address each grantee's specific questions. The coordinators at the AFI Resource Center are the first responders. At the Resource Center desk, operators are able to provide on-the-spot answers to many frequently asked questions. Those questions that are less common, more complex or highly specific to your organization and grant are referred to your AFI Program Specialist. If your Program Specialist is unavailable, the help desk will record your message and route it to the appropriate AFI Program Specialist and with that I'd like to now turn it over to Stephanie at CFED.

Stephanie: Thanks, Vernae. Next we're going to provide an overview of the Office of Grants Management and the key elements that you'll interface with including OGM grants management specialists and GrantSolutions.

First, the Office of Grants Management is the financial partner within the Office of Community Services to oversee AFI project implementation. OGM's grant management specialists assist with the financial aspects of AFI grants including project budgets and fiscal reports. The award package you receive from OGM provides information for your newly awarded AFI grant such as project start and end date, the award amount and the allocation of your award amount match savings or for data collection. It also provides you with the standard terms and conditions which are the legal documents that detail the relationship between AFI grantees and offices that support them within the department of Health and Human Services (HHS).

If there are any changes or updates to what's in your award package such as the Authorizing Official or other key personnel including Project Director or Principal Investigator, an official request must be made by your organization through GrantSolutions for approval by the Office of Grants Management. Be sure to keep your award documents as you will often need to use the information on those documents.

OGM's Grant Management specialists that help you navigate OGM are assigned by state. Find your grants management specialist at the link on your screen. GrantSolutions is a web-based system of record for all AFI grants. It supports Grant Management functions such as updates to grantee contact information and lead personnel, changes to grant budget, project period and other terms and archiving

your records and reports and official correspondence. Much of your interaction with your grants management specialist will be through GrantSolutions.

Importantly, you must use the system to submit your Performance Progress Reports and your Federal Financial Report or SF425. In the final webinar of the AFI grantee orientation series we will provide more information on recording requirements and related reporting systems. Initially, plan to work with your grant management specialist, make sure that you set up your GrantSolutions user account and are able to manage your grant in the system.

To gain access to GrantSolutions, contact your Grants Management Specialist to set up a grantsolutions.gov account linked to your AFI grant. The GrantSolutions help desk can create read only accounts, but cannot provide access to submit reports. Only Authorizing Officials and Principal Investigator/Project Directors named on your Notice of Award can have full access accounts.

Finally, we will touch on the Payment Support Center (PSC) payment management services. The Payment Support Center works in partnership with AFI Program Office and OGM to disperse federal funds to AFI grantees. Grantees work with PSC to establish electronic funds transfer process through the payment management system. Further along in this webinar we will provide more detail on the forms and procedures that each grantee uses to request a drawdown of its federal funds.

Okay that's a lot of offices, systems and resources to remember. Here's a quick summary of primary contacts and what they do. The AFI Program Office is where your AFI Program Specialist is housed and is the keeper of information on AFI program rules and guidance. For basic questions, such as, "Where do I find the current income guidelines?" head to the AFI Resource Center. Also the Resource Center website has tools, templates and information on effective practices, as well as information from webinars and other trainings. Go to your Program Specialist for more complex questions around AFI requirements.

The Office of Grants Management is where grantsolutions.gov and your Grants Management Specialists are housed. Its resources will provide you with information on financial reporting and how changes can be made to your Award Document. The Program Support Center is how you'll utilize payment management services. This is the department in charge of housing your grant funds and the Payment Management System is the portal through which you'll need to access in order to drawdown your funds.

So that's it for this first section – Introduction to AFI and key federal offices and resources. I'll turn it over to Parker for any questions from you the participants.

Parker: Okay so right now the only question we have is, "Will these slides be available for download at a later date and sent to attendees?" And so yes these slides as well as a recording of the presentation and a transcript will be available in AFI Resource Center. We will also be following up with attendees in the upcoming days with this, with a PDF of the slides.

So it looks like there aren't any questions coming in at this moment, but just a reminder feel free to type in your questions at any time and we'll answer them at the conclusion of the presentation.

Santiago: For the remainder of the AFI grantee orientation series, we're going to walk you through the steps you need to take to launch and implement your AFI grant. On this webinar we'll focus on some of your first steps to access your AFI Grant Funds. If you have not already completed this process, we encourage you to do so as soon as you are able. Several other steps including enrolling participants cannot begin until you've accessed your Grant Funds so this is an important and time-sensitive step.

Here's the nuts and bolts of getting the federal funds. It's very important that each grantee pay close attention to the section. We'll review the process for:

1. Addressing any grant restrictions
2. Setting up your reserve fund
3. Setting up direct deposit
4. Requesting AFI funds and a few drawdown rules

Sometimes grant funds are restricted when the award is made. For example, when the award made is a different amount than the amount requested in the application, grantees must submit revised budget information before funds are made available. To see if your grant has any restrictions review section 26 of the Notice of Award (NOA) for your AFI Grant. Section 26 of the original NOA also includes special conditions with which AFI grantees must comply. All these special conditions may not appear on amended versions of the NOA. Compliance with these conditions continues to be required for the term of the grant.

If you do have a restriction on your account you must complete and submit to OGM the required documentation to resolve any Grant restrictions. Contact your OGM specialist with questions about any grant restrictions.

Finally here's what the document looks like that you'll need to sign related to Grant restrictions. Please keep in mind that your grant is also subject to the requirements of the HHS Grants Policy Statement and the Code of Federal Regulations 45 part 75 and the other requirements covered in the Notice of Grant Award under standard terms. Follow the links on the slide for more resources.

Now Stephanie will walk us through the next step.

Stephanie: Hey Santi. Okay, once you've addressed any restrictions you are now ready to set up your reserve funds. To access your AFI grant funds, you first need to set up a reserve fund – a bank or credit union account that holds both federal and non-federal funds committed to the AFI project.

Grantees must carefully track the allocation of grant funds to participants. In many cases, grantees set up separate reserve accounts for each AFI project for ease of tracking details like interest earned and how much is obligated, expended or still available for a new saver. All AFI grant funds that you drawdown must be matched dollar for dollar with non-federal cash in your reserve fund. So, for example, you must have \$300,000 in non-federal match on deposit in order to drawdown your \$300,000 federal AFI award. It is best to deposit all of your non-federal funds and draw your federal grant in year one but in any case make your non-federal deposits and federal drawdowns as soon as possible.

Grantees also often use additional funds to support their AFI work but remember all funds in the reserved account are subject to program allocation guidelines so these funds should be held separately from the reserved funds.

When you are setting up your reserve fund there are several considerations to keep in mind: what type of account will it be, the account type such as checking, savings, money market or others could affect how funds may be moved including the required quarterly transfers to match participants deposit as well as IDA holders matched withdrawals.

Next, are there any other fees and account requirements? Fees and other requirements may also impact the account product you select from among your financial institution partner's offerings. Where possible compare these across multiple products. The following questions may help with this comparison: What fees and deposit requirements are included in the account products you're financial institution partner has to offer?

- Will you be able to access the account online for information purposes only or to make transactions?
- Are there fees for different types of transactions such as electronic funds transfers, wire transfers or using checks?

Next your organization should consider who will be designated as signatories and how will authorizations to make transactions be set up. This will need to follow your organization's policies and also reflect AFI's mandate for a minimum of quarterly deposits of proportionately obligated matched funds into the parallel account or IDA's based on the amount staged.

In practice this likely means that someone on your organization's finance team or a member of your board will actually perform the financial institution transactions but that person will rely on the AFI Project Management team to provide the relevant data concerning the relevant savings activity and thus the amount to transfer each quarter.

You will need to develop a memorandum of understanding with your financial institution partner. This agreement should spell out whether it earns interest, how and how often you will receive statements, who your principal contact is at the bank or credit union and whether there are fees associated with holding the account or dispersing matched funds as you direct and all other details about the partnership.

When setting up your reserved fund please keep in mind the limitations on uses for the reserved funds. The AFI legislation spells out exactly how the funds in the reserved funds, both the federal funds and the non-federal match are to be used. 85% of the funds, both the federal AFI grant and the non-federal funds go directly to match participant savings. 2% of the AFI grant funds must be used for data collection.

No more than 7.5% of the AFI grant funds go for administrative expenses like program management, reporting, recruitment, enrolment and monitoring. Finally, 5.5% of the AFI grant funds may be used for

non-administrative functions like case management, budgeting, economic literacy and credit counselling. The portion of the non-federal funds that is not required to be used for participant match may be used for any of the uses described above and in section 407C1 of the AFI Act. This portion of the non-federal funds is not required to be expended exactly as the AFI Grant funds are expended.

A couple other key things to remember: only drawdown federal funds equal to the amount of non-Federal cash into the reserved fund and be sure to keep a clear audit trail enabling grantees to identify the source of funds or any expenditure.

Great so now I'm going to turn these back over to Santi for step 3.

Santiago: Thanks, Stephanie. Next, you will need to set up direct deposit. In order to be able to ultimately drawdown your funds you'll need to set up direct deposit for your reserved fund. You'll need your Notice of Award to complete the standard form 1199a which can be downloaded from the link to the AFI Resource Center provided here. You will also need a payment management system access form or a PMS FFR that you can download from The AFI Resource Center site or from the DPM site.

Here we have provided the links for the division of payment management's payment management system PMs and federal financial report or FFR user forms. These required forms let DPM know who should have access to your account. Keep a copy for your records and send a copy to your AFI Program Specialist.

Your next step will be to set up a direct deposit of AFI to your reserved fund by electronic funds transfer. To make sure that your 1199a form for direct deposit is accepted, verify that the information matches your NOA exactly. The 1199a will be rejected if any information is inconsistent with that on the NOA. The instructions on the AFI Resource Center direct you to the relevant boxes on the award document that must match the 11-99a information.

Occasionally is not yet not yet established in agreement with a financial institution before the award. However, the financial institution and account routing information is essential to completing the 1199 a form please note that the original document may not have any evidence of alterations.

Once your 1199a and your PMS user access form are ready, mail them to your DPM liaison the address is on your screens. Send scanned as email attachments to your Grant Management specialist and to your Program Specialist. Your Grant Management specialist and your Program Specialist can be found on the AFI Resource Center website.

Here's where to find your PSC liaison. Your assigned Payment Management Services liaison will vary depending on your location and whether your organization is a University, non-profit, government or tribal group. The government owned tribal payment Branch Works primarily with government entities such as state and local governments and Indian tribes with HHS grants. The University and non-profit Payment Branch works with colleges, universities and all other nonprofit and for-profit organizations with HHS grants.

Now Stephanie will bring us through the final step.

Stephanie: Great. Thanks Santi. Now that you've addressed any grant restrictions to set up your reserve funds and set up direct deposit, you are ready to request a drawdown of funds. Once you set up with a PMS username and password and the direct deposit is set up you can draw down the federal funds using the electronic funds request process. Instructions are on the PSC PMS website. To avoid being locked out of your account all grantees especially those with multiple federal grants should make sure you input the exact user ID, password and grant number. Should you inadvertently request funds being drawn from the wrong grant or to be deposited to the wrong account, it can take a long time to straighten out.

You can drawdown your grant funds over the grant period so long as you have an equal amount of non-federal cash match in the reserved funds. In fact, the rules for AFI are different than they are for many federal grants and we encourage you to drawdown every penny as soon as possible and let the account earn interest. Further, you need that money in the bank for participants to open IDA's.

The balance of the reserve fund must be at least equal to the amount needed to cover obligations, the match amount to participants who have opened their IDA's. To drawdown you should also be current on any reporting. It's also true that grantees sometimes receive approval for additional time, up to a year to complete project activities but you must remember no funds can be drawn down after the end of the original five-year project period.

So as a recap, after addressing any grant restrictions you want to set up your reserve fund within a federally insured financial institution or state insured financial institution and deposit your non-federal match funds. Next you'll contact PSC to set up direct deposit and identify the individual or individuals who will have access to the account. Then you are ready to use the payment management system electronic funds transfer to drawdown your AFI funds.

Great, that's a lot of information so I'll turn it over to Parker to see if there any questions from the audience.

Parker: Great, thank you Stephanie so we don't have any questions at this time but if you do have any questions please use the box on the right side of your screen. It's pictured on your screen right now so feel free to type your questions into that box and I'm going to either wait for a couple of moments to make sure some of you don't have any questions.

Great and while we're waiting for those final questions to come in, I want to go over the rest of the new grantee orientation series for 2016. So the upcoming trainings include the second webinar which is around launching your AFI project, recruitment, application and enrolment. This is on Wednesday, November 16th we'll provide you with an overview of AFI program fundamentals and requirements and help you develop an implementation action plan and help you think through the first three steps of a typical AFI grant which include recruitment application and enrolment.

You'll be introduced the tools and resources for successfully launching a new grant and will have the opportunity to ask questions about your AFI project designs. The third webinar, launching your AFI Project: Savings, Economic Education and Asset Purchases will be held on Wednesday, November 30th

and this will build off the previous webinar by providing an overview of the subsequent three steps. These include of course, Savings, Economic Education, and Asset Purchase. Grantees will be introduced to tools and resources for successfully launching a new grant and will have the opportunity to ask questions about AFI project design.

The fourth and final on Data and Reporting and it will be on Wednesday December 14th. This webinar will explain the types of reports you are required to file and the recording dates. The webinar will also include discussions of using data to help manage your project. Additionally, we will be holding a conference call on November 2nd for first time grantees as well as those who are re-enrolling after a lapse in AFI grants. So we should have reached out to you individually if you're going to be participating in this call, so if you've heard from us and have any questions feel free to reach out and let us know.

The call will introduce you to your program specialist, provide you with an understanding of AFI technical assistance for new grantees as well as give you an opportunity to ask any questions about AFI. So I just got one question which is, "Does the grant need to be held entirely and only in an FDIC insured cash account?"

So the project reserve fund where you drawdown your funds needs to be held in a federally or a federally insured financial institution and if a federally insured financial institution is not present in your area then a state insured financial institution.

Received another question around the Notice of Award and we'll be following up with that individual directly to answer that question. So some of these questions you know are very specific to the individual, so in those cases we'll work with the AFI office to make sure your question gets answered.

Great. I'm not seeing any other questions coming in so would like to take the opportunity to thank you all for coming today and joining our webinar. For those of you who've received new AFI grant awards, Congratulations. We are very excited for you and excited to work with you over the life of your grant so thank you and have a great rest of your day.