



Michigan IDA Partnership

-A Project of Oakland Livingston Human Service Agency- Statewide Report for July-September, 2011

Introduction from Heidi Henderson—OLHSA

The Office of Community Services (OCS) recently awarded 34 Assets for Independence (AFI) grants totaling more than \$8 million to community-based organizations and government agencies, including all five Regional Coordinating organizations that make up the Michigan IDA Partnership (MIDAP). The total federal amount awarded to MIDAP from this round of funding is \$479,411.

These dollars will translate into:

- 250 individuals increasing their net assets by receiving match support dollars for a first-time home, small business expansion or post-secondary education
- 250 individuals receiving credit counseling that typically leads to a credit score increase by program exit
- 250 individuals receiving asset-specific education, including homebuyer counseling and peer support
- 250 individuals receiving financial management education, including how to make better financial decisions and change purchasing behavior, setting a budget and how financial tools/products work
- 250 individuals setting long-term goals of saving money for the purpose of asset accumulation

As 2011 comes to a close, MIDAP would like to remind everyone about the Michigan IDA tax credit. This is a great way to support these 250 individuals in the years to come, and receive a 75% tax credit on your donation. For more information on how to donate, please visit www.midap.info/ida-tax-credit.

Statewide Accomplishments

- Forty-two IDA clients successfully purchased their asset during this quarter, for a grand total of 1,814.
- Current mortgage dollars leveraged by IDA participants in Michigan have topped \$100 million.
- The accounts received from the spring/summer 2011 funding round are over 75% full.
- Three RCOs received their requested 12-month no-cost extension through AFIA. The extension expects to see another 50+ individuals purchase their asset before the grant closes out next year.

Accomplishments at Specific Regions:

- Inner City Christian Federation (ICCF) covering the west region, reports working through changes in their region at the program site level, and that remaining savers are very close to reaching their IDA goals.
- United Way of Southeast Michigan (UWSEM) covering the Detroit region, has linked their IDA program with its Center for Working Families to more strategically bolster asset opportunities for families and individuals. By doing so, the IDA becomes a part of similar activities (employment training, financial education and coaching) targeting those working consistently to improve their financial situation.

- Oakland Livingston Human Service Agency (OLHSA) covering the thumb region, will also be marketing their new IDAs to Center for Working Families and in Livingston County. New staff trainings occurred in November.
- The Northwest Michigan Community Action Agency (NWMCAA), covering the northern region, reported meeting with program sites this quarter to discuss year-round recruitment techniques and keeping attrition levels within reason.
- Community Action Agency –Jackson (CAAJ), covering the southern region, reported having 17 qualified withdrawals over the last quarter, and is in the process of closing out a 2006 AFIA grant.

Summary of Progress

Number of IDA participants

Statewide	Funded	Filled	Available	% filled
All funds	2340	2208	132	0.94
Old funds (2001-06)	1384	1369	15	0.99
New funds (AFI 07)	533	505	28	0.95
New funds (AFI 08)	173	147	26	0.85
New funds (AFI 10)	250	187	63	0.75

Asset Investments Summary Table

As of September 30, 2011

Homeownership Accounts	1281
Education Accounts	308
Business Accounts	225
Total Asset Investments	1,814
Total Participant Savings Used	\$1,918,221
Total Match Amount Used	\$5,176,638
Current Mortgages Leveraged	\$100,036,271

Significant number changes from last quarter (cumulative totals):

	<u>Through June</u>	<u>Through Sept.</u>	<u>Difference:</u>
<u>Qualified Withdrawals:</u>	1,772	1,814	+42
<u>*Filled Accounts:</u>	2,154	2,208	+54

*Terminated accounts will make the # of Filled Accounts smaller than if only new growth (clients) was shown.

Statewide Funding Update and Plans for Expansion

Program sites, working with their RCOs, participated in the following activities:

- provided necessary data in order for RCOs to complete their AFIA annual data reports to congress.
- marketed the IDA tax donation where applicable.
- received greatly needed administrative dollars for new client services.
- conducted interviews with their RCOs to better establish account loads.
- attended trainings for new staff (OLHSA, Lighthouse of Oakland County, Macomb County CSA)
- continued with funding efforts so another round of IDAs may occur in 2012 in Michigan.

Current Strengths & Areas for Improvement of the Michigan IDA Partnership

Administrative dollars used to support IDA client services and program site staffs have been cut by over 69% during the last several years. In an economy where more individuals are in need of match dollars and IDA-related training (budgeting, financial services, credit counseling), RCOs and program sites have been asked to serve more people with less support dollars. Potential issues with this formula have been kept at bay, as RCOs work diligently to make sure the following still occurs at program sites: recruiting and marketing, high-quality training of clients, timely reporting, long-term partners and low attrition rates.

Moving forward, finding ways to run quality IDA programs with minimal supporting funds will become more challenging as budgets are scrutinized and staff are asked to do more. Next year will be critical in getting these support dollars back to a level where IDA sites can truly administer their programs and look forward to servicing new clients.

Participation in MIDAP Training and Capacity Building Services

RCOs and their program sites have recently participated in the following trainings and capacity building services: AFI BAFB training in Washington D.C., AFI webinars and discussions, in-person regional meetings and or monthly conference calls, and asset building websites and list-serve opportunities.

Technical Assistance Analysis (provided to RCOs and/or Program Sites with description of type of TA provided, including any data accuracy/management issues).

ICCF reported that receiving the no-cost extension will help ensure successful close-out of the remaining IDA account holders. Two project sites are no longer offering IDAs, and recent downsizing and staff changes at remaining sites have made the extension necessary so that staff and clients have enough time to work together.

OLHSA reported that next quarter will be necessary to interview program sites for the following: additional training needs, proper client assignment under each active grant, new account load expectations and any data inaccuracies found while doing the annual data report to congress.

NMCAA reported that direct service/admin. dollars are needed in order to keep program sites functioning at a level needed and expected within MIDAP.

CAA-Jackson reported that assistance was provided on a case by case basis to their program sites, regarding data collecting, eligibility questions and grant close-out.

UWSEM reported that new staff have been hired internally to manage their IDA program sites, process qualified withdrawals and input IDA data. UWSEM received technical assistance this quarter, as they worked together within MIDAP to receive support where needed.

IDA Success Story

Contributed by: Northwest Michigan Community Action Agency

On August 5th, 2011 I had the pleasure of finally meeting part of the team I attributed to my success with the I.D.A. program being offered through our local Northwest Michigan Community Action Agency. The exciting part of the meeting is I knew I had been able to meet my financial savings goal that was suggested to me early in the program.

At the conclusion of my exit interview I was asked if I would write a little about my experience with the I.D.A. program and mention a few words how being chosen as a participant has affected my life.

Here is the hard part. How can I honestly explain in only five hundred words how much impact this experience has had not only on me personally but on my family and my closest friends? In short, the impact was huge; life changing. I am now on the road to my own business and financial freedom.

My first experience with the local NMCAA was several years ago when I attended my first ever weatherization seminar, but that is another story for another time. However, I can admit, that it was a positive experience and a very worthy program. For it was there that I met some of staff and learned about the option to participate in the I.D.A.

I graciously accepted the brochure and handouts that were offered to me and read the information and the basic requirements for it. Then I did nothing. That's right. I took no action. It was then that I convinced myself I would never be able to save one dollar with my current income let alone set some financial goal for the future. I could not see past the present so looking forward was not an option.

You might be asking what I would be writing about if I had continued with the negative idea that setting a financial goal was impossible. The answer is nothing. But as fortune would have it I am writing about being able to do just that. Set a goal and meet it with much success when you have the right support.

For me, my support was my family and my fiancé and of course the incredible staff. I had given up on myself when others refused to. Namely, Shelly Charron, Carrie Banks and Barb Stricker. In the fall of 2008 I was invited as a guest speaker for the weatherization program. It was there that I met Shelly. She was so taken by my speech that when it was over she pulled me aside and mentioned the I.D.A. program would be a wonderful opportunity for me. I did not have the heart to explain I did not believe I could honestly put money aside. So I once again accepted the invitation. But this time was different than the previous year. I really wanted to hear more about the possibilities that Shelly mentioned, and agreed to a meeting with a budget counselor for the following week.

I can honestly say that the content of the conversation I had with Shelly at the initial meeting completely changed my idea of what would be possible for me and my small business. It was then that I learned of how much the program had to offer for support and education, but mostly it was the firm belief the staff had in me when I had none for my own success. With all the encouragement and inspiring words I was able to work closely with my counselors and set real goals even with my very limited income. Six months after that meeting, I received a statement that I was half way to my savings goal. I could not believe it.

That was one year ago. Today I have met my goal and found new direction for both my personal and business life. I have what it takes to make real change for the better. None of this would have been possible without everything my support team did to encourage me. So in the end I am just another success story, but it is my story.

Angelita Mercado

New small business owner of SerenitySprings Go-Green Consulting

A Upper Northern Michigan based business focusing on creative earth friendly solutions for all.

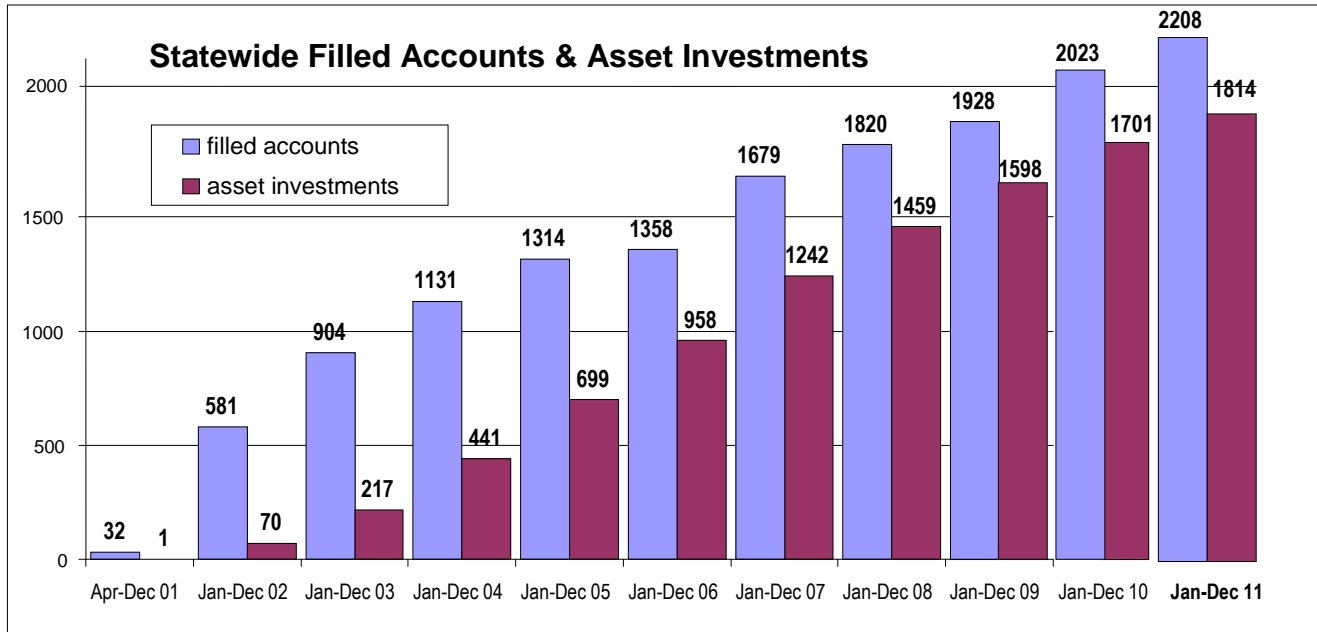
SerenitySprings Go-Green Consulting offers customers a variety of services based on sustainability and environmental solutions for home and business. Such as a in-home or business energy audit, assessment of the landscape and surrounding grounds, organic gardening design, recycling program for household waste, general knowledge of what it means to live more sustainable.

Attachments

- **Updated State of Michigan IDA Fact Sheet**
- **Cities of Promise breakdown**
- **Regional Reporting breakdowns (Thumb, South, West, North and Detroit)**



MICHIGAN IDA PARTNERSHIP
 A PROJECT OF OAKLAND LIVINGSTON HUMAN SERVICES AGENCY
PROGRAM STATUS UPDATE
 SEPTEMBER 2011



Asset Investments Summary Table	
As of September 30, 2011	
Homeownership Accounts	1,281
Education Accounts	308
Business Accounts	225
Total Asset Investments	1,814
Total Participant Savings Used	\$1,918,221
Total Match Amount	\$5,176,638
Current Mortgages Leveraged	\$100,036,271

In addition to the quantitative impact of the growing number of IDA Asset Investments, the program is also **having a qualitative impact** on its participants including:

- **All** participant graduates indicate they **continue to have a savings goal** after the program.
- **94%** of graduates **continue to create and use household budgets**.
- **90%** of graduates **feel more economically secure**.
- **72%** of graduates are **satisfied with their current financial situation**.

The Michigan IDA Partnership is a successful model for IDA collaborative programs. The number of accounts opened, savings by participants, and asset investments demonstrate that with the right tools and support low- and moderate-income households save for their futures. The challenge now is securing sustained and continued funding of approximately \$1 million in non-federal funds, which in turn makes federal AFI support possible. Funds have been allocated by the Michigan Department of Human Services and MSHDA, and new tax credit legislation is promising, but it is not enough. Without stable support IDA program sites cannot continue to operate quality programs. The coming year will require us to reconsider the MIDAP operations and our fund-raising strategy. Your help and ideas will be needed. Please contact Susan Harding at susanh@olhsa.org or 248-209-2790, or Heidi Henderson at heidih@olhsa.org or 248-209-2691.

Michigan IDA Partnership (www.midap.info) is sponsored in part by Michigan State Housing Development Authority

STATUS OF IDA ACTIVITY IN MICHIGAN**FACT SHEET SEPTEMBER 2011**

IDA (Individual Development Account) activity is strong in Michigan. The Michigan IDA Partnership (MIDAP), originally created as a partnership between the Michigan Department of Human Services (DHS) and the Council of Michigan Foundations, has created a statewide program with **over 2,340 IDA Accounts** funded. IDAs help working poor families save toward buying their first-time home, attaining post-secondary education, or starting a small business. In Michigan, IDAs have helped individuals **save over \$1,918,221**.

Since 2001, MIDAP has:

- Established **5 IDA Program Regional Networks** to reach a statewide goal of 2,000 IDA Accounts
- Raised and received non-federal and federal match dollars to support statewide accounts in 2007, 2008, and now 2010. This September, **another 250 accounts** were made available in the state of Michigan
- Expanded the number of **IDA Program Sites from 5 to 50**
- More than **2,208 accounts** are filled, and **94% of all funds** are allocated to an IDA participant.

OUTCOMES:

The *Independent Evaluation Report* through Year Three (3) of the project found that the **typical IDA Participant is a 33-year-old unmarried** woman with some college education, a full-time job, a **monthly household income of about \$1,700** (\$20,000 annually), and **two children** living at home. Nearly 80% of all participants plan to purchase a home, 10% intend to use their account for a business, and 10% for education. Additionally:

- **Regular savings** by participants **went from 25 to 71 percent**, and 87 percent report they expect to save regularly in the future.
- 99 percent have been **affected positively by being in their IDA Program** and 84% believe the financial management education classes have helped them save.
- 90 percent are **more aware of their credit rating**. Families showed, on average, a **12% to 23% increase in their credit score** depending on the credit score source.
- 83 percent report they are **more likely to work or stay employed** since opening their IDA

Through September 30, 2011, 1,814 IDA Participants have made an asset investment (1,281 homes purchased, 308 education account uses and 225 business account uses). The mortgages **leveraged to date exceed \$100 million**.

Leveraged \$3.5 million in private sector funding, \$5.5 million from the **state of Michigan (including DHS and MSHDA funds)** and \$2.9 million in **federal Assets for Independence Act (AFIA)** funding (All 5 Regional Coordinating Organizations [RCOs] have received AFIA support).

IDA POLICY TO CONTINUE GROWTH:

1. **Develop annual State Support for IDA Accounts through DHS and MSHDA existing budgets**
2. **Implementation of state IDA Tax Credit Act, PA 514**
3. **Passage of the federal Savings for Working Families Act**

For further information, including evaluations please contact:

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Community Action Agency (Jackson),

Toby Berry, 517-784-4800, Tberry@caajlh.org

Western Region:

Inner City Christian Federation (Grand Rapids),

Sue Ortiz, 616-336-9333, sortiz@iccf.org

Northern Region:

Northwest Michigan CAA (Traverse City),

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Thumb Region:

Oakland Livingston Human Service Agency (Pontiac)

Heidi Henderson, 248-209-2691, heidih@olhsa.org

Detroit Region:

United Way for SEM (Detroit), Cynthia Grayson,

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FOR MORE INFORMATION, PLEASE GO TO WWW.MIDAP.INFO

IDA Regional Reports:**Southern Region****RCO: Community Action Agency (Jackson)****Number of IDA participants**

South	Funded	Filled	Available	% filled
All funds	520	460	60	0.88
Old funds (2001-06)	216	216	0	1.00
New funds (AFI 07)	125	114	11	0.91
New funds (AFI 08)	129	105	24	0.81
New funds (AFI 10)	50	25	25	0.50

Asset Investments

South	Total	HO	ED	BUS
All funds	340	307	20	13
Old funds (2001-06)	216	186	18	12
New funds (AFI 07)	109	107	1	1
New funds (AFI 08)	15	14	1	0
New funds (AFI 10)	0	0	0	0

Participants who have made qualified withdrawals for Asset Investments in the Southern Region have:

accessed match funds of \$ 866,608
 leveraged mortgages of \$26,477,654

Attrition Rates

South	Enrolled	filled	% Attrition
All funds	980	460	0.53
Old funds (2001-06)	618	216	0.65
New funds (AFI 07)	196	114	0.42
New funds (AFI 08)	138	105	0.24
New funds (AFI 10)	28	25	0.11

Funds leveraged for participants

South	Savings	match	mortgages
All funds	\$404,441	\$866,608	\$26,477,654
Old funds (2001-06)	210,559	587,883	17,731,362
New funds (AFI 07)	127,594	243,725	7,786,692
New funds (AFI 08)	61,394	35,000	959,600
New funds (AFI 10)	4,894	0	0

(Match is equal to all match dollars used for past qualified withdrawals. Savings is equal to those dollars saved and used for past qualified withdrawals, and also dollars saved and in an active account at quarter ending)

Western Region

**RCOs: City Vision, Inc. (Grand Rapids) for 2001-2006 funding,
Inner City Christian Federation (Grand Rapids) for 2007 and forward funding**

Number of IDA participants

West	Funded	Filled	Available	% filled
All funds	411	406	5	0.99
Old funds (2001-06)	253	253	0	1.00
New funds (AFI 07)	108	108	0	1.00
New funds (AFI 10)	50	45	5	0.90

Asset Investments

West	Total	HO	ED	BUS
All funds	355	267	24	64
Old funds (2001-06)	253	186	19	48
New funds (AFI 07)	102	81	5	16
New funds (AFI 10)	0	0	0	0

Participants who have made qualified withdrawals for Asset Investments in the Western Region have:

accessed match funds of \$ 895,642
leveraged mortgages of \$22,842,080

Attrition Rates

West	Enrolled	filled	% Attrition
All funds	779	406	0.48
Old funds (2001-06)	562	253	0.55
New funds (2007)	172	108	0.37
New funds (AFI 10)	45	45	0.00

Funds leveraged for participants

West	savings	match	Mortgages
All funds	\$ 367,245	\$895,642	\$22,842,080
Old funds (2001-06)	247,321	628,852	15,742,080
New funds (2007)	109,457	266,790	7,100,000
New funds (2010)	10,467	0	0

(Match is equal to all match dollars used for past qualified withdrawals. Savings is equal to those dollars saved and used for past qualified withdrawals, and also dollars saved and in an active account at quarter ending)

Northern Region**RCO: Northwest Michigan Community Action Agency (Traverse City)****Number of IDA participants**

North ALL	Funded	Filled	Available	% filled
All funds	454	418	36	0.92
Old funds (2001-06)*	299	284	15	0.95
New funds (AFI 07)	105	84	21	0.80
New funds (AFI 10)	50	50	0	1.00

*Includes 35 completed accounts at FiveCAP, which is no longer a MIDAP funded site.

Asset Investments

North	Total	HO	ED	BUS
All funds	382	261	93	28
Old funds (2001-06)*	284	217	49	18
New funds (AFI 07)	60	44	7	9
New funds (AFI 10)	1	0	0	1

Participants who have made qualified withdrawals for Asset Investments in the Northern Region have:

accessed match funds of \$ 985,651
 leveraged mortgages of \$14,055,451

Attrition Rates

North	Enrolled	filled	% Attrition
All funds	622	418	0.33
Old funds (2001-06)*	426	284	0.33
New funds (2007)	145	84	0.42
New funds (AFI 10)	51	50	0.02

Funds leveraged for participants

North	savings	match	mortgages
All funds	\$411,862	\$985,651	\$14,055,451
Old funds (2001-06)*	297,802	821,154	10,231,349
New funds (2007)	87,470	162,497	3,824,102
New funds (2010)	26,590	2,000	0

(Match is equal to all match dollars used for past qualified withdrawals. Savings is equal to those dollars saved and used for past qualified withdrawals, and also dollars saved and in an active account at quarter ending)

Thumb Region**RCO: Oakland Livingston Human Service Agency (Pontiac)****Number of IDA participants**

Thumb	Funded	Filled	Available	% filled
All funds	451	441	10	0.98
Old funds (2001-06)	257	257	0	1.00
New funds (AFI 07)	100	96	4	0.96
New funds (AFI 08)	44	42	2	0.95
New funds (AFI 10)	50	46	4	0.92

Asset Investments

Thumb	Total	HO	ED	BUS
All funds	358	273	34	51
Old funds (2001-06)	257	200	26	31
New funds (AFI 07)	73	50	8	15
New funds (AFI 08)	23	19	0	4
New funds (AFI 10)	5	4	0	1

Participants who have made qualified withdrawals for Asset Investments in the Thumb Region have:

accessed match funds of \$ 903,185
 leveraged mortgages of \$22,196,802

Attrition Rates

Thumb	Enrolled	filled	% Attrition
All funds	812	441	0.46
Old funds (2001-06)	535	257	0.52
New funds (AFI 07)	168	96	0.43
New funds (AFI 08)	59	42	0.29
New funds (AFI 10)	50	46	0.08

Funds leveraged for participants

Thumb	savings	match	mortgages
All funds	\$376,590	\$903,185	\$22,196,802
Old funds (2001-06)	228,272	634,730	16,318,859
New funds (AFI 07)	93,813	189,531	4,191,371
New funds (AFI 08)	29,412	64,924	1,332,956
New funds (AFI 10)	25,093	14,000	353,616

(Match is equal to all match dollars used for past qualified withdrawals. Savings is equal to those dollars saved and used for past qualified withdrawals, and also dollars saved and in an active account at quarter ending).

Detroit Region**RCO: United Way for Southeast Michigan (Detroit)****Number of IDA participants**

Detroit ALL	Funded	Filled	Available	% filled
All funds	504	475	29	0.94
Old funds (2001-06)*	359	359	0	1.00
New funds (AFI 07)	95	95	0	1.00
New funds (AFI 10)	50	21	29	0.42

*Includes 121 completed accounts at Michigan Neighborhood Partnership, which is no longer a MIDAP funded site.

Asset Investments

Detroit	Total	HO	ED	BUS
All funds	416	173	174	69
Old funds (2001-06)*	343	158	133	52
New funds (AFI 07)	73	15	41	17
New funds (AFI 10)	0	0	0	0

Participants who have made qualified withdrawals for Asset Investments in the Detroit Region have:

accessed match funds of \$ 1,525,552
 leveraged mortgages of \$14,464,284

Attrition Rates

Detroit	Enrolled	filled	% Attrition
All funds	1038	475	0.54
Old funds (2001-06)*	872	359	0.59
New funds (AFI 07)	145	95	0.34
New funds (AFI 10)	21	21	0.00

Funds leveraged for participants

Detroit	savings	match	mortgages
All funds	\$ 358,083	\$1,525,552	\$14,464,284
Old funds (2001-06)*	291,921	1,296,626	13,666,567
New funds (2007)	59,133	228,926	797,717
New funds (2010)	7,029	0	0

(Match is equal to all match dollars used for past qualified withdrawals. Savings is equal to those dollars saved and used for past qualified withdrawals, and also dollars saved and in an active account at quarter ending)

Cities of Promise (COP)

All Cities of Promise IDA funds reported here relate to the 2007 funding restricted to use in these eight cities. The number of City of Promise participants in some Cities may exceed the amount of funding specifically restricted to a City of Promise.

Number of IDA Participants

Statewide				
New funds (2007)	Funded	Active/QW	Ever enrolled	% Attrition
All COP	132	178	313	0.43
By City				
	Funded	Active		
Benton Harbor	15	12	34	0.65
Muskegon Hghts	15	4	8	0.50
Detroit, Htrmk, HP	46	83	131	0.37
Pontiac	26	41	68	0.40
Flint	12	15	30	0.50
Saginaw	18	23	42	0.45

Asset Investments & Funds leveraged by participants

Funds Leveraged for participants					
Cities of Promise	total savings	match	mortgages	qw save	reg save
All COP	\$ 154,178	\$ 363,694	\$ 4,587,740	\$ 108,676	\$ 45,502
Benton Harbor	11,449	27,616	935,900	9,916	1,533
Muskegon Heights	4,024	11,000	156,000	4,024	-
Detroit, Htrmk, HP	67,132	162,005	849,500	35,767	31,365
Pontiac	39,433	95,938	1,378,679	34,900	4,533
Flint	11,776	14,000	223,000	5,000	6,776
Saginaw	20,364	53,135	1,044,661	19,069	1,295

City of Promise Qualified withdrawals

Statewide	Total	HO	ED	BUS
All COP	138	86	27	25
Benton Harbor	12	12	0	0
Muskegon Hghts	4	3	0	1
Detroit, Htrmk, HP	62	27	22	13
Pontiac	35	25	4	6
Flint	5	4	1	0
Saginaw	20	15	0	5

Participants who have made qualified withdrawals for Asset Investments in the Cities of Promise have saved \$ 154,178
 accessed match funds of \$ 363,694
 leveraged mortgages of \$ 4,587,740