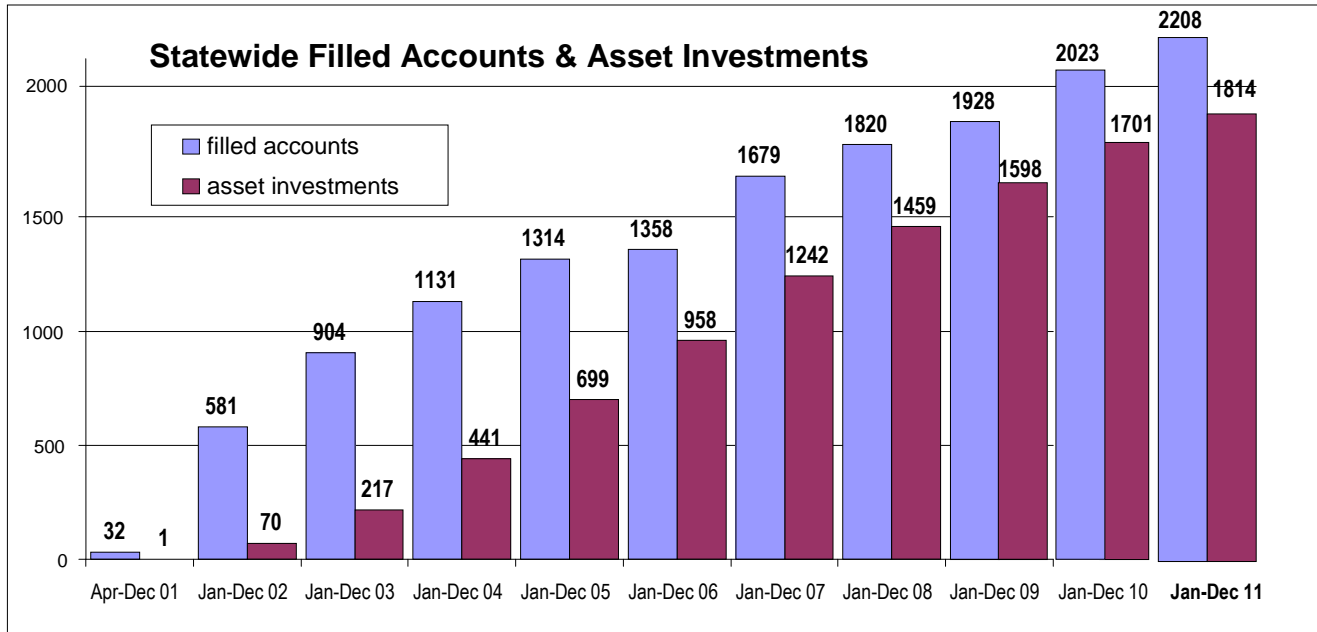




MICHIGAN IDA PARTNERSHIP
 A PROJECT OF OAKLAND LIVINGSTON HUMAN SERVICES AGENCY
PROGRAM STATUS UPDATE
 SEPTEMBER 2011



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:

MIDAP Program Coordinator at OLHSA:

Susan Harding, 248-209-2790

Heidi Henderson, 248-209-2691

Southern Region:

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),

Karen Emerson, 231-947-3780, kemerson@nmcaa.net

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,

313-226-9229 Cynthia.Grayson@liveunitedsem.org

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