



Oakland Livingston Human Service Agency
A Community Action Agency Since 1964



Michigan IDA Partnership

-A Project of Oakland Livingston Human Service Agency- Statewide Report for July-September, 2010

Introduction (Susan Mosqueda--OLHSA)

MIDAP is pleased to introduce a new partnership we have formed in the last quarter. Beginning in October, we are happy to report that we were asked to be a key partner in the Michigan Youth Opportunities Initiative (MYOI). MYOI is a Jim Casey Youth Opportunities Initiative program (www.jimcaseyyouth.org). The lead agency for the initiative is the Michigan Department of Human Services. The program serves over 400 youth in Detroit/Wayne County, a 10-county cluster near Traverse City and 13 additional counties throughout the state.

MYOI serves youth in the foster care system with a vision of making sure that every youth aging out of care should have access to the supports necessary for a successful transition to adulthood. Each youth in the program is provided The Opportunity Passport™. This is a package of resources that helps young people make a successful transition to adulthood, and includes:

1. Financial literacy training,
2. A matched savings account, and
3. A personal bank account

To date, Michigan Youth Opportunities Initiative (MYOI) has opened over 1,000 IDAs in 30 counties using grant and Chafee funds. The need continues and MIDAP's role in the partnership is to apply the lessons and best practices we have learned with traditional IDAs to this initiative. We will be helping with several components of the program including fundraising and data management, but more importantly helping transition youth from the foster care system to the other support programs that are available to them in the community. MIDAP's large network is a much needed support for foster youth in the state. Look for more information about the program to be added to MIDAP's website in the near future.

Statewide Accomplishments

- Thirty-three qualified withdrawals were processed in the state during this quarter, for a grand total of 1,682
- At the end of October, over 3,000 IDA tax credit fliers were mailed to various CPA's and financial institutions. These fliers have already produced numerous phone call inquiries, website hits and first-time donations. A donation meter now exists at www.midap.info/ida-tax-credit and will show up-to-date activity.
- RCO's are working on different levels to involve new populations in asset development, including non-custodial parents, Michigan youth and people with disabilities.
- The 2010 AFIA grants are underway with some regions showing opened accounts, and others working off waiting lists.

Accomplishments at Specific Regions:

- Inner City Christian Federation (ICCF) covering the west region, in response to their pilot IDA program for Building Assets for Fathers and Families, will be strengthening their training and counseling components.
- United Way of Southeast Michigan (UWSEM) covering the Detroit region, hired BEST consulting to work with their micro-enterprise accounts. The training received has proven to be very beneficial to their clients.

- Oakland Livingston Human Service Agency (OLHSA) covering the thumb region, is approaching halfway in filling their 2010 AFIA grant. Two program sites already have waiting lists, and 7 sites are already asking for more accounts in 2011.
- The Northwest Michigan Community Action Agency (NWMCAA), covering the northern region, will continue to evaluate ways to deliver IDAS to outlying areas in the northern region, through online financial management education and use of direct deposit.
- Community Action Agency –Jackson (CAAJ), covering the southern region, has met with Neighborhoods Inc., in Battle Creek, to discuss joining the IDA regional network.

Summary of Progress

Number of IDA participants

Statewide	Funded	Filled	Available	% filled
All funds	2336	2015	321	0.86
Old funds (2001-06)	1384	1369	15	0.99
New funds (AFI 07)	533	507	26	0.95
New funds (AFI 08)	169	120	49	0.71
New funds (AFI 10)	250	19	231	0.08

Asset Investments Summary Table

As of September 30, 2010

Homeownership Accounts	1196
Education Accounts	296
Business Accounts	190
Total Asset Investments	1,682
Total Participant Savings Used	\$1,789,345
Total Match Amount Used	\$4,845,338
Current Mortgages Leveraged	\$93,815,608

As a state, Michigan IDA numbers continue to grow. Significant number changes from last quarter:

Thirty-three individuals purchased their asset during the last quarter.

Statewide Funding Update and Plans for Expansion

As IDAs continue to receive attention on a national level, innovative pilot programs, new target markets and improvements and additions in legislation make their way to Michigan.

The October-December quarter will see increases in tax credit donations, fundraising asks and numbers of accounts filled versus number of accounts available. All of these variables show that IDAs are not only wanted in Michigan, they are absolutely necessary.

This quarter saw many program sites settle into their 2010 AFIA grants. As slots begin to fill, program sites look to their RCOs for word on if there's sufficient funding to support a 2011 proposal. Another round of funding would become a platform for new partnerships, and a chance for more struggling families in Michigan to benefit from saving, financial education, and asset-attainment.

With more funding, program sites can finally open their doors to IDA clients, and not just their windows.

Current Strengths & Areas for Improvement of the Michigan IDA Partnership

Strengths:

- All 5 RCOs are using their knowledge and experience to engage IDA program sites and offer support services through time-saving and effective techniques. New staff is gaining a clearer understanding of guidelines and best practices early on, so that they can move their programs along at a sufficient rate.
- RCOs are experiencing calls in their region about the IDA tax credit. As questions arise from CPAs, RCOs learn more about the credit and the specific areas of concern for potential donors (and their tax advisors). RCOs are also given an opportunity to ask callers where, when and how the marketing needs to occur.

Areas for Improvement:

- The following areas need to stay strong in order for MIDAP to continue its success into the next quarter: full participation in RCO monthly calls and progress updates, strong marketing of the IDA tax credit, innovative partnerships, accurate data and informative reporting, quality training to both new staff and IDA participants, sharable success stories, and ongoing fundraising efforts for 2011.

Participation in MIDAP Training and Capacity Building Services

- New partnerships flourished this quarter in several regions: NMCAA renewed their connection with SCORE, ICCF will be working closely with Friend of the Court in Kent County, CAA—Jackson looked to gain a program site in Grand Rapids, OLHSA will be working with new partners as they enroll clients from Royal Oak Township and Livingston County, and United Way worked with BEST consulting.
- RCOs participated in regional program site meetings, statewide RCO calls, IDA network list-serve and AFIA related emails and webinars, the CFED annual IDA survey, website additions and completion of AFIA semi-annual reports, during this past quarter. In November, RCOs will be working diligently on their annual data reports to congress, due for each active AFIA grant.

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

- As RCOs prepare to complete their AFIA data reports to congress, it is crucial that the data entered in Outcome Tracker is accurate and up-to-date. All Unknowns will be addressed with program site staff, as well as any outlandish entries.
- Training occurred for new and current staff, in the following areas: policy and procedures, data management and program marketing.
- 4 out of 5 regions experienced difficulty pulling down their federal AFIA dollars to match their 2010 AFIA grants. There was a change in the process that required a password from OCS (some regions are still waiting for this to occur). Unfortunately, this slowed down each region's ability to get their reserve accounts functional and in compliance with AFIA, in order to start opening up the 2010 accounts. Running multiple AFIA grants allowed RCOs to fill new clients in previous grants that are experiencing normal levels of attrition. All regions anticipate filling their 2010 grants by next spring.

IDA Success Story

Contributed by Northwest Michigan Community Action Agency (Northern Region):

Sally and Dan Bee first learned about the IDA Program when they came to our agency seeking help with their rent to avoid eviction. Now they are proud owners of their first home!

Sally and Dan enrolled in the IDA Program on 1-16-08. When they enrolled, we were thinking this would be a “long term” account because of their credit problems. In fact at one point they were considering bankruptcy. Sally was the main “bread winner” in the family as she had worked for Wal~Mart for over six years. Dan was unemployed, depressed, and struggling with addictions. The big turnaround came when Dan accepted a job at Wal~Mart the spring of 2008. This increased their income which allowed them to keep their bills paid and save more money. Dan now appears to be much healthier mentally and physically.

The Bee’s had been customers with St. Francis Credit Union for many years. And that’s where they heard about a bank-owned home in Pellston, looked at it, and wanted to buy it. The credit union committee offered to sell it to them and offered to finance it for them. They received help with the down payment from Dan’s mother and the IDA Program. I did an HQS inspection on the home and it appeared to be a good first home for them. The credit union has owned this home for nearly four years and had done a lot of work on it by replacing all the floor coverings, cabinets, appliances, light fixtures, new painting, new siding, and new shingles.

Due to their work schedules, Dan and Sally were unable to attend the evening workshops. They attended Pre-Purchase I and II and Staying Financially Fit which I offered as make-ups during the day. They also completed six modules of the Money Smart CD which I loaned to them to use on their home computer. Also they completed three chapters in the Finding Paths to Prosperity booklet.

Prior to their joining the IDA Program they described their savings and budgeting habits as “poor” but now they “believe they can follow a budget save for rainy days and reach their goals”.

To realize the dream of actually owning their own home, the biggest barrier was finding a bank to give them the mortgage and getting all the monies together to close. They overcame that obstacle and as they prepared for the closing, they were looking forward to enjoying an efficient home with more living space for their family and having a mortgage payment that is less or about the same as they are now paying for rent.

Their advice for people thinking of joining IDA is “It’s a win-win situation. They match your money three times!”

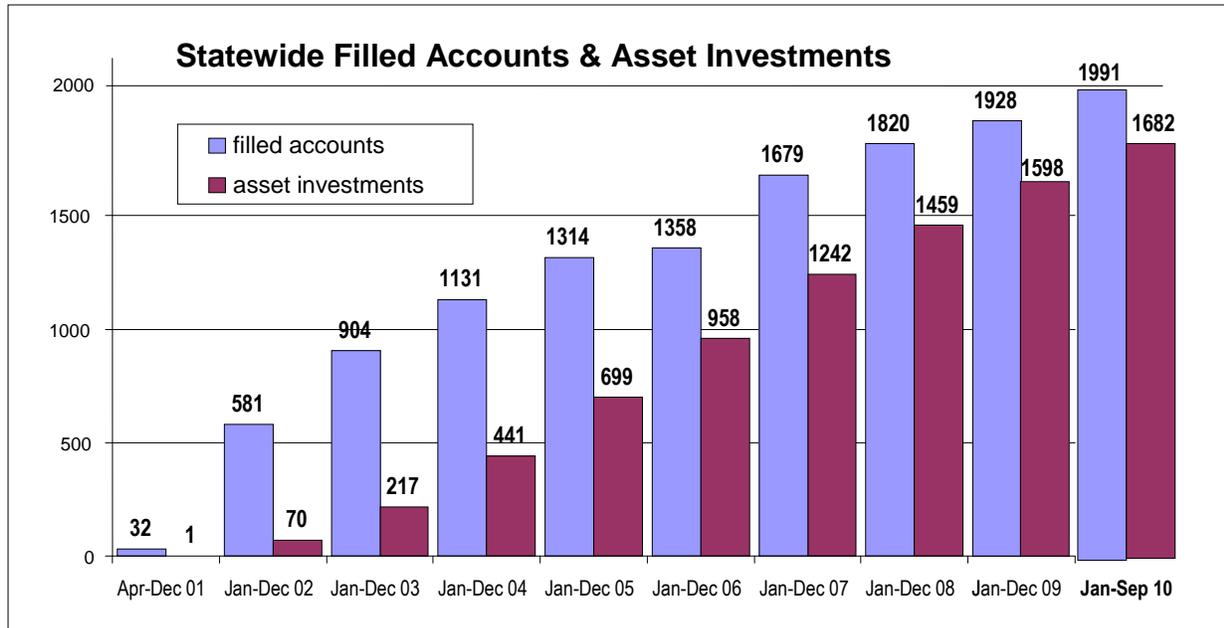
The Petoskey local office of the Northwest MI Community Action Agency (NMCAA) administered the IDA Program for Sally and Dan Bee. NMCAA provides financial fitness and homebuyer club workshops and assists participants on an individual basis in the areas of budgeting and credit counseling.

Attachments

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



MICHIGAN IDA PARTNERSHIP
 A PROJECT OF OAKLAND LIVINGSTON HUMAN SERVICES AGENCY
PROGRAM STATUS UPDATE
 SEPTEMBER 2010



Asset Investments Summary Table	
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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 Mosqueda at susanm@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 2010**

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 2,336 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 \$1,789,345**.

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 year, **another 250 accounts** will be available in the state of Michigan
- Expanded the number of **IDA Program Sites from 5 to 50**
- More than **2,015 accounts** are filled, and **86% 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, 2010, **1,649 IDA Participants have made an asset investment** (1,168 homes purchased, 292 education account uses and 189 business account uses). The mortgages **leveraged to date exceed \$91 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),

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Western Region:

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Northern Region:

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Thumb Region:

Oakland Livingston Human Service Agency (Pontiac)

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Detroit Region:

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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	416	104	0.80
Old funds (2001-06)	216	216	0	1.00
New funds (AFI 07)	125	119	6	0.95
New funds (AFI 08)	129	81	48	0.63
New funds (AFI 10)	50	0	50	0.00

Asset Investments

South	Total	HO	ED	BUS
All funds	309	277	19	13
Old funds (2001-06)	216	186	18	12
New funds (AFI 07)	85	84	0	1
New funds (AFI 08)	8	7	1	0
New funds (AFI 10)	0			

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

accessed match funds of \$ 822,612
 leveraged mortgages of \$24,649,155

Attrition Rates

South	Enrolled	filled	% Attrition
All funds	896	416	0.54
Old funds (2001-06)	618	216	0.65
New funds (AFI 07)	176	119	0.32
New funds (AFI 08)	102	81	0.21
New funds (AFI 10)	0	0	

Funds leveraged for participants

South	Savings	match	mortgages
All funds	\$380,757	\$822,612	\$24,649,155
Old funds (2001-06)	210,559	587,883	17,731,362
New funds (AFI 07)	115,387	219,979	6,522,293
New funds (AFI 08)	54,811	14,750	395,500
New funds (AFI 10)	0	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	356	55	0.87
Old funds (2001-06)	253	253	0	1.00
New funds (AFI 07)	108	103	5	0.95
New funds (AFI 10)	50	0	50	0.00

Asset Investments

West	Total	HO	ED	BUS
All funds	332	248	22	62
Old funds (2001-06)	253	186	19	48
New funds (AFI 07)	79	62	3	14
New funds (AFI 10)	0			

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

accessed match funds of \$ 830,090
leveraged mortgages of \$21,442,080

Attrition Rates

West	Enrolled	filled	% Attrition
All funds	723	356	0.51
Old funds (2001-06)	562	253	0.55
New funds (2007)	161	103	0.36
New funds (AFI 10)	0	0	

Funds leveraged for participants

West	savings	match	mortgages
All funds	\$ 347,213	\$830,090	\$21,442,080
Old funds (2001-06)	247,321	628,852	15,742,080
New funds (2007)	99,892	201,238	5,700,000
New funds (2010)	0	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	376	78	0.83
Old funds (2001-06)*	299	284	15	0.95
New funds (AFI 07)	105	90	15	0.86
New funds (AFI 10)	50	2	48	0.04

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

Asset Investments

North	Total	HO	ED	BUS
All funds	360	248	92	20
Old funds (2001-06)*	284	217	49	18
New funds (AFI 07)	39	31	6	2
New funds (AFI 10)	0	0	0	0

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

accessed match funds of \$ 928,654
 leveraged mortgages of \$12,710,794

Attrition Rates

North	Enrolled	filled	% Attrition
All funds	566	376	0.34
Old funds (2001-06)*	426	284	0.33
New funds (2007)	138	90	0.35
New funds (AFI 10)	2	2	0.00

Funds leveraged for participants

North	savings	match	mortgages
All funds	\$ 374,401	\$928,654	\$12,710,794
Old funds (2001-06)*	297,802	821,154	10,231,349
New funds (2007)	76,384	107,500	2,479,445
New funds (2010)	215	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)

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

Thumb	Funded	Filled	Available	% filled
All funds	447	413	34	0.92
Old funds (2001-06)	257	257	0	1.00
New funds (AFI 07)	100	100	0	1.00
New funds (AFI 08)	40	39	1	0.98
New funds (AFI 10)	50	17	33	0.34

Asset Investments

Thumb	Total	HO	ED	BUS
All funds	324	253	31	40
Old funds (2001-06)	257	200	26	31
New funds (AFI 07)	54	41	5	8
New funds (AFI 08)	13	12	0	1
New funds (AFI 10)	0	0	0	0

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

accessed match funds of \$ 812,720
 leveraged mortgages of \$20,627,012

Attrition Rates

Thumb	Enrolled	filled	% Attrition
All funds	766	413	0.46
Old funds (2001-06)	535	257	0.52
New funds (AFI 07)	163	100	0.39
New funds (AFI 08)	51	39	0.24
New funds (AFI 10)	17	17	0.00

Funds leveraged for participants

Thumb	savings	match	mortgages
All funds	\$353,731	\$812,720	\$20,627,012
Old funds (2001-06)	228,272	634,730	16,318,859
New funds (AFI 07)	96,952	139,990	3,543,158
New funds (AFI 08)	27,962	38,000	764,995
New funds (AFI 10)	545	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).

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

Detroit ALL	Funded	Filled	Available	% filled
All funds	504	454	50	0.90
Old funds (2001-06)*	359	359	0	1.00
New funds (AFI 07)	95	95	0	1.00
New funds (AFI 10)	50	0	50	0.00

*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	394	170	169	55
Old funds (2001-06)*	343	158	133	52
New funds (AFI 07)	51	12	36	3
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 \$ 1,451,262
 leveraged mortgages of \$14,386,567

Attrition Rates

Detroit	Enrolled	filled	% Attrition
All funds	981	454	0.54
Old funds (2001-06)*	872	359	0.59
New funds (AFI 07)	109	95	0.13
New funds (AFI 10)	0	0	

Funds leveraged for participants

Detroit	savings	match	mortgages
All funds	\$ 333,243	\$1,451,262	\$14,386,567
Old funds (2001-06)*	291,921	1,296,626	13,666,567
New funds (2007)	41,322	154,636	720,000
New funds (2010)	0	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	Ever enrolled	% Attrition
All COP	132	197	310	0.36
By City				
	Funded	Active		
Benton Harbor	15	15	34	0.56
Muskegon Hghts	15	4	8	0.50
Detroit, Htrmk, HP	46	87	131	0.34
Pontiac	26	46	67	0.31
Flint	12	20	29	0.31
Saginaw	18	25	41	0.39

Asset Investments & Funds leveraged by participants

Funds Leveraged for participants					
Cities of Promise	total savings	match	mortgages	qw save	reg save
All COP	\$ 144,763	\$ 283,491	\$ 4,531,572	\$ 80,293	\$ 64,470
Benton Harbor	11,411	28,786	1,250,900	9,959	1,452
Muskegon Heights	3,022	5,000	56,000	2,000	1,022
Detroit, Htrmk, HP	61,150	126,052	1,000,000	21,612	39,538
Pontiac	35,855	77,013	1,200,000	28,900	6,955
Flint	12,707	9,000	223,000	3,000	9,707
Saginaw	20,618	37,640	801,672	14,822	5,796

City of Promise Qualified withdrawals

Statewide	Total	HO	ED	BUS
All COP	107	70	20	17
Benton Harbor	12	12	0	0
Muskegon Hghts	2	1	0	1
Detroit, Htrmk, HP	46	21	17	8
Pontiac	29	21	3	5
Flint	3	3	0	0
Saginaw	15	12	0	3

Participants who have made qualified withdrawals for Asset Investments in the Cities of Promise

have saved	\$ 80,293
accessed match funds of	\$ 283,491
leveraged mortgages of	\$ 4,531,572