

IDA Funding Sources & Strategies

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IDAs consist of two major components:

- Savings Match
- Program operations: Economic literacy training, counseling, & support

Both are important—

- ➡ Savings match enables asset purchase,
- ➡ Participants say that the training, counseling, & support is what makes it possible to achieve success!

Program Operations: Economic Literacy, Counseling, & Support

Defined throughout participant involvement:

- Marketing, recruitment, enrollment
- Economic Literacy
- Counseling & support
- Account management
- Asset Specific training
- Withdrawal planning
- Withdrawal
- Evaluation

Don't call operations, "administration or overhead!"

Training, counseling, & support are critical to participant success.

Savings Match...

- Enables participants to believe their dreams are possible
- Enables asset purchase to be possible
- Provides incentives
- Structure rate based on market conditions

How much?

- Training/counseling/program operations/ management:
 - \$1,000 to \$3,000 per participant for the entire program, varies by partnerships & economies of scale
- Savings match:
 - #participants X maximum annual savings X savings period X match rate

Where?

First, Who already supports you?

Second, Who are your natural partners?

Examine what you are hoping to do & see who would be interested...

- Look for funding based on asset uses
- Type of funding
- Source of funding

Funding Sources

- Public support: local, state, federal
 - CDBG, CSBG, TANF, AFI, WIA, ORR
 - Appropriations
 - Tax credits
- Private support:
 - United Way, foundations, employers, individuals, financial institutions, etc.

Community Economic Development at CVCAC

- Micro Business Development Program
- Tangible Assets IDA Program
- Child Care Food Program
- Community Capital of Central Vermont
- Economic Literacy training

CVCCAC's IDA programs

Tangible Assets—since 1997, 218 enrolled
108 matched withdrawals: 62% business, 21%
homeownership, 17% education or training

Vermont IDA Program—since 2000,
statewide—375 accounts—\$734,750 in
savings match & program operations

Vermont AFI Program—since 1999,
statewide—360 accounts, \$528,405

What have we used?

- ADD demonstration—CfED
- TANF for operations & match
- Community Foundation
- Private donations
- CSBG
- AFI
- Community Development Block Grant—small cities
- American Express
- Office of Community Services
- Department of Labor—Farmworkers
- HUD

Lessons

- Gather as many sources as you can...
- Identify nonfederal sources to be used as match for AFI
- "50 ways to match your IDA"