Analyzing the Assets for Independence
IDA Program

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Executive Summary

United Way of the Bluegrass is applying for the Federal Assets for Independence (AFI) grant. The AFI program was established under the Assets for Independence Act (Public Law 105-285, enacted on October 27, 1998) to provide federal funding for state and local Individual Development Account (IDA) projects nationwide. An IDA is a savings account designed to help the low income citizens establish a pattern of savings and, ultimately, obtain assets. United Way of the Bluegrass (UWBG) has decided that they want to target three specific populations—ex-offenders, recovering substance abusers, and the homeless/formerly homeless. This study is to provide more insight into a United Way operated AFI IDA program. The following are my research questions:

1. How does the demographics of the applicant pool compare to the local population?
2. What is the difference between the applicants who were accepted and the applicants who were denied?
3. Is there a relationship between the applicant demographics and their asset goal?

Data for analysis were obtained from United Way of Central Alabama (UWCA). They have had an established Assets for Independence IDA program since 2005. Data contained information obtained through UWCA's intake survey, account applications, and some actual account information. Analysis was conducted on 361 individuals who had completed the application and intake survey, and were indicated as enrolled or not enrolled by UWCA. The analysis of the data included a t-test of demographic and financial variables and a multinomial logit model for the entire sample and only the enrolled participants.

The characteristics that bear statistical significance to an IDA program are: gender, race, marital status, having children or no children, and having less than a high school degree. The most significant characteristic is being married. The variables used to capture a slight financial picture of the sample are: owning a home; having a checking or savings account; budgeting; number of vehicles owned; and receiving: alimony, TANF, Medicare, and/or rent assistance. These variables are not statistically related.

Multivariate analysis indicates that those who are more likely to save for a home over education are African-Americans and/or employed full-time or part-time. Those who are more likely to save for a home over starting a small business include those who are employed full-time or part-time, and/or those having a savings account.

Education level is a predicting characteristic of individuals who chose to save for education. Those with a college education, a two-year degree, or some college education are more likely to save for education over a home.

Receiving a form of public assistance was found not to have any correlation to program participation and asset savings goal. When UWBG is designing their IDA program, they should pay particular attention to the portion of program participants who choose to save for a particular asset and adjust institutional factors accordingly.

Introduction and Background

Since the establishment of the Lyndon Johnson's War on Poverty in the 1960s, people have been well aware of the issue of poverty in America. Historically, researchers, policymakers, and service providers have focused on income-based approaches to addressing poverty: helping people secure funds to address immediate needs. Another major approach has been to equip the poor with the skills and knowledge, through education, to improve their economic standing. Recently, attention has been turned to establishing financial stability. This means having the ability to save and invest in order to purchase such assets as a first home, a small business, or human skills for use in getting a job that brings livable wages. [1]

The idea of Individual Development Accounts (IDA) was created in the late 1980s by Dr. Michael Sherraden, a professor of social work at Washington University in St. Louis. Sherraden decided poverty could be fought by teaching people to save for and purchase assets such as a home or business and by helping them create college savings accounts to further their education. By getting workers started in asset building, Sherraden believed the Individual Development Account could help workers gain self-sufficiency.[2]

Sherraden proposed IDAs in a journal called *Social Policy* in 1998. Since that time, IDAs have been introduced and spread in the United States so that over 40 states now have some type of IDA program. The federal government included IDAs as a state option in 1996 as a part of the welfare reform law, and a federal IDA demonstration was enacted in 1998. Despite considerable policy activity, current IDA programs are small.[3]

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[1] *AFI Project Builder: Guide for Planning an Assets for Independence Project.* Office of Community Services, Administration for Children and Families, US Department of Health and Human Services, June 2006 Update

[2] Introduction to Individual Development Accounts: IDAs Help Buy Homes, Fund College Education, and Build Businesses <http://personalbudgeting.suite101.com/article.cfm/introduction_to_individual_development_accounts#ixzz0eaha3umN>

[3] Sherraden, Michael. *Individual Development Accounts: Summary of Research*. Washington University. September 2002

The Assets for Independence (AFI) program was established under the Assets for Independence Act (Public Law 105-285, enacted on October 27, 1998) to provide federal funding for state and local Individual Development Account (IDA) projects nationwide. An IDA is a savings account designed to help the low income individuals or families establish a pattern of savings and, ultimately, obtain assets. AFI is administered by the Office of Community Services (OCS), within the Administration for Children and Families (ACF), U.S. Department of Health and Human Services (HHS).

The dollars placed into the IDA must be from earned income and saved for a specified amount of time. Money from the IDA is matched by local and federal dollars. The match rate varies from program to program, depending on the local program's ability to raise matching funds. The match can range from $0.50 to $7.00. The money saved must be used for the purchase of a home, post-secondary education, or to start a small business. Participants must meet one of the two major criteria:

1. Eligible for TANF at time of application.
2. Meet both of the following sub-criteria:
    a. Household income is either less than twice the Federal Poverty line at time of application or within Federal EITC limits.
    b. Household net worth was less than $10,000 at the end of the calendar year that proceeded the time of their application.

A typical IDA program is outlined in Figure 1. Note that this figure illustrates a participant's path in a generalized AFI program. Individual AFI programs may follow different procedures. For example, some grantees require financial education before participants open the IDA, while other grantees allow participants to open the IDA and begin saving before or while receiving the education. [4]

Figure 1: Components of a Typical AFI Project

[4] DeMarco, Donna, Mills, Gregory, Ciurea, Michelle. *Assets for Independence Act Evaluation Process Study: Final Report.* Contract # 233-02-0088 Abt Associate Inc. 22 Feb, 2008.

The mission of United Way of the Bluegrass (UWBG) is *to improve lives by mobilizing the caring power of the regional community*.[5] United Way is working to advance the common good by focusing on three impact areas: education, health, and income (or financial stability). Their goal is to create long-lasting changes that prevent problems from happening in the first place. The Assets for Independence grant is parallel to the financial stability impact agenda. (See Appendix A for more information.) UWBG has decided to target three specific populations: ex-offenders, recovering substance abusers, and the homeless/formerly homeless within Lexington-Fayette County.

The people in this study have not obtained the stated assets, yet; but are saving to purchase one of the three assets. This capstone will be focusing on the predicting characteristics of those who were enrolled or not enrolled in the program and if there is a relationship between any characteristics and the individual's savings goal.

Literature Review

Literature available about IDA accounts is quite expansive since the concept was conceived by Dr. Sherraden in the late 1980s. A majority of the research is associated with the Center for Social Development at Washington University in St. Louis. Additionally, a majority of the studies used the data from the IDA program operated by the Community Action Project of Tulsa County (CAPTC) in Tulsa, Oklahoma. The Tulsa program was one of a series of local IDA projects initiated under the American Dream Demonstration (ADD). ADD had been in progress at 13 sites in the United States beginning in 1997 as of 2002. [6] CAPTC's IDA program was the

[5] United Way of the Bluegrass. (n.d.). *About Us*. Retrieved April 12, 2010, from http://www.uwbg.org/index.php?option=com_content&task=view&id=16&Itemid=26

[6] Sherraden, Michael. *Individual Development Accounts: Summary of Research*. Center for Social Development. Washington University. September 2002

sole program used to evaluate ADD.[7]

IDA program features that appear to affect saving performance are:

- Higher match rates are positively associated with being a saver
- Direct deposit is positively associated with being a saver.
- Up to a point, the number of hours of financial education is positively associated with greater monthly net deposits.[8]

Controlling for other factors, income is not associated with being a saver or with net deposits in IDAs. Those with very low incomes save as successfully as others. The very-low-income IDA participants save at a higher *rate* relative to their income. Those at 50 percent of poverty and below save more than 3 percent of income, while those at 200 percent of poverty save about 1 percent of income. Also, controlling for other factors, past and current welfare recipiency is not associated with being a saver or net deposits in IDAs. Welfare recipients save as successfully as others.

Individuals who are more likely to save have more education, are Hispanic or Asian-American, working students, own a home or car, and have low levels of debt. When participants were asked *how* they save, the majority basically responded that they are willing to make consumption sacrifices in order to save in their IDA accounts. Seventy percent said they shopped more carefully for food; 68% say they ate out less often; and 64% said they spent less on leisure. Twenty-nine percent said they worked more hours in order to generate the money to save in their IDAs.[9]

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[7] Mills, G., Patterson, R., Orr, L., & DeMarco, D. (August 2004). *Evaluation of the American Dream Demostration: Final Evaluation Report.* Cambridge: Abt Associates Inc.

[8] Ibid. Reported results on program characteristic are controlled for many other factors in regression analysis.

[9] Moore, Amanda; Beverly, Sondra; Schreiner, Mark; Sherraden, Michael; Lombe, Margaret; Cho, Esther Y.N.; Johnson, Elizabeth; and Vonderlack, Rebecca (2001). *Saving, IDA Programs, and Effects of IDAs: A Survey of Participants*, research report. St. Louis: Center for Social Development, Washington University (revised version of a portion of this study forthcoming in *Social Development Issues*). This is a cross-sectional survey at six of the IDA program sites.

Subsequently, ADD found that institutional factors of IDA Programs were better predictors of savings outcomes than the individual characteristics of participants. The key institutional variables include access, information, incentives, facilitation, and expectations. Findings from ADD support that the unbanked (no savings or checking account) and persons with savings accounts only were less likely to be a saver (defined as saving at $100 or more in the account) compared to participants with both types of accounts. Home owners were much more likely to save compared to non-home owners. Bank accounts and home ownership were positively related to making a matched withdrawal, while car ownership was not.[10]

A more recent study in coordination with the Center for Social Development examined the question—who almost participated in an IDA program? *Almost participants* are defined as individuals who applied to participate in the IDA program, but later decided not to participate even after they were accepted. The study was executed using data from the Kahikū IDA program administered by ALU LIKE, Inc. (ALI), a large community-based not-for-profit social service agency located in Honolulu, Hawaii. In total, 758 individuals applied to this particular program. Kahikū was one of the larger IDA programs in the country; the average size of AFIA funded programs during this time was only 90 accounts. Program participation is defined as opening an IDA account and involves two distinct phenomena—application and enrollment. [11]

A pattern emerges revealing strong differences between those who ultimately participated and those who had second thoughts. Almost-participants were more likely to have children in the household, be employed less than full-time, and save for postsecondary education. The almost-participants were less likely than participants to have positive net worth, own vehicles, own homes, own checking accounts, own savings accounts, and save for home ownership. Overall,

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[10] Rothwell, David W., Han, Chang-Keun. *Second Thoughts: Who Almost Participates in an IDA Program?* St. Louis: Center for Social Development, Washington University. 2009

[11] Rothwell, David W., Han, Chang-Keun. *Second Thoughts: Who Almost Participates in an IDA Program?* St. Louis: Center for Social Development, Washington University. 2009

the applicants who had second thoughts compared to those who eventually enrolled were more disadvantaged in family, employment, and asset characteristics.

Despite the expansive works produced by the Center for Social Development and information gathered from ADD, the most inclusive study was produced by the United States Department of Health and Human Services (HHS) as a result of the AFI Act. Consequently, the AFI Act was a direct result of ADD and its findings. The AFI Act calls for an evaluation of AFI projects to be carried out by an independent research organization under contract to HHS.

The initial data analysis focused entirely on the national sample of AFI participants opening accounts in 2001. The predominant characteristics of these individuals were as follows:[12]

- 82 percent female;
- 46 percent non-Hispanic black, 31 percent non-Hispanic white, and 12 percent Hispanic;
- 43 percent of age 30 to 39;
- 39 percent never married;
- 55 percent with at least some postsecondary education;
- 53 percent with the accountholder as the only adult household member and 83 percent with at least one child in the household;
- 78 percent residing in a Metropolitan Statistical Area; and
- 42 percent with annualized household earnings below the poverty level.

Please see Appendix B for comparison to Lexington-Fayette County, the target area for United Way of the Bluegrass.

The patterns of IDA account users, who opened accounts in 2001, were as follows:

[12] DeMarco, Donna, Mills, Gregory, Lam, Kim, Rodger, Christopher, Kaul, Bulbul. *Assets for Independence Act Evaluation Impact Study: Final Report.* Contract # 233-02-0088 Abt Associate Inc. 22 Feb, 2008.

- The average participant deposited $483 into their IDA by the end of the first year. By the end of the second year, cumulative deposits averaged $784, and by the end of the third year the average cumulative deposit was $935.
- The average monthly net deposit was $19.
- Through the third year, approximately one-third (31%) of participants had made a matched withdrawal.

Data and Methods

United Way of Central Alabama, Inc., formerly The Birmingham Community Chest, was organized in 1923 with 31 agencies and a goal of $450,000. In 1969, the local organization was invited into neighboring Shelby County, and in 1970, agencies in Walker County were asked to be included as well. In January 1985, the legal name was changed to the United Way-Community Chest of Central Alabama, Inc. and later, in 1992, the name officially became United Way of Central Alabama, Inc. (UWCA). The mission of the organization is to increase the organized capacity of people to care for one another and to improve their community. UWCA is based in Birmingham, Alabama and serves Jefferson, Shelby, Walker, Blout, and St. Clair Counties.

UWCA began its Assets for Independence Program (AFI) in 2005; UWCA collaborated with the Alabama Asset Building Coalition to administer the program. The Alabama Asset Building Coalition (AABC) is a statewide collaborative to promote financial stability for individuals and families. AABC is composed of non-profits, community action, and community development agencies, United Ways, federal and state government and banking regulatory agencies, and financial institutions that have joined together to achieve shared goals and objectives for the citizens of Alabama.

An evaluation of the Alabama IDA Program was conducted in 2008 by Parker Consulting, Inc. At the time there were 301 persons who were interested in accounts. Of those, 119 had active accounts and were continuing to save, and 9 have successfully acquired the asset for which they were saving for. Of the 307 people that were evaluated, AABC found that those who later withdrew reported the highest average income when filling out their application; the lowest among subsequent Asset Acquirers and those who withdrew may believe that their level of income will lead to success and consequently be less likely to focus on being disciplined while participating in the program. Those who opened the account and continued with the program seem to have more realistic expectations about their financial future than those who withdrew.[13] Data on these participants came from four primary sources:

1. Intake Survey database
2. Account Application database
3. Individual Account Ledgers
4. Match file created by UWCA to provide a match between Intake Survey, Account Application and AFI Account Ledger.

**Additional telephone interviews were completed with a total of 53 of these participants selected to represent each participant type.

Data for this evaluation were acquired from UWCA's Assistant Vice President of their Financial Stability Partnership Initiative on February 3, 2009. Data contained information obtained through UWCA's intake survey, account applications, and some actual savings account information. The application data including information on 762 individuals and the intake survey included 683 individuals.

[13] Parker Consulting, Inc. *Alabama Asset Building Coalition Assets for Independence: 2008 Evaluation*. January 2009

After merging the two data sets, 361 individuals had completed the application and intake survey. (See Appendix D and E for the Intake Survey and Application*)* The conclusions drawn are from this number.

Data from UWCA were used for this study because there are a limited number of IDA programs operated by a United Way. UWCA was chosen because of their cooperation and more realistic population comparison than other programs. However, there are a few demographic differences between Lexington-Fayette County and UWCA's service area. See Appendix B for more information.

Results

Table 1: Demographic Variables of Applicants

	Mean		
Demographic	Not Enrolled (0)	Enrolled(1)	Difference
Male	.263	.156	.107**
African-American	.773	.853	-.079*
White	.168	.098	.070*
Other	.058	.049	.009
Married	.291	.174	.118***
Single	.693	.808	-.114**
No Children	.380	.263	.116**
1-3 Children	.562	.683	-.121**
Less than High School	.073	.022	.050**
High School/GED	.175	.147	.028
Some College	.380	.420	-.040
2-year degree	.153	.179	-.052
4-year degree	.153	.201	-.048
Graduate Degree	.066	.031	.034+
N= 361	**N =137**	**N=224**	

*** $p < .01$ **$p < .05$ *$P < .10$ + $p < .15$

See Appendix C for variable descriptions.

Refer to Table 1 for the following discussion. Males are more likely to not be enrolled in the program. Females encompass about 84% of the enrolled. Of the sample, 26% of males those not enrolled were male where about 16% of the enrolled were male; this difference is statistically significant at $p<.05$.

Enrollees are 85% African-American and non-enrollees are 77% African-American. Only 10% of the enrollees and 17% of the non-enrollees were white; the difference is statistically significant at $p<.10$. However, this relationship may be spurious and not causal because a vast majority of applicants are African-American. Being Hispanic or of a race indicated as “Other” was not statistically significant, but lack of an adequate sample population may have lead to this outcome.

The most statistically significant demographic characteristic is whether the applicant is married or cohabiting. Of those that were not enrolled 29% were married, and 17% of the enrolled were married. This difference is statistically significant. Seventy percent of those not enrolled were single and 80% of those who were enrolled were single; this difference is also statistically significant. 38% of those not enrolled had no children and 56% had one to three children. Of those enrolled, 26% had no children and 68% had one to three children. Having children seems to be a predictor of enrollment into the program.

Education level does not have any statistical significance unless the individual has less than a high school degree. 7% of those not enrolled and 2% of the enrolled in the program did not have a high school degree or equivalent. This difference is statistically significant at $p < .05$. The majority of applicants seem to have some college education, 38% of the not enrolled and 42% of the enrolled; however, this difference did not prove to be statistically significant. Having a graduate degree was slightly significant.

Table 2: Financial Indicators of Applicants

	Mean		
	Not Enrolled (0)	Enrolled(1)	Difference
Own Home	.124	.094	.030
Have Checking Acct	.876	.866	.010
Have Savings Acct	.737	.728	.010
Have A Budget	.603	.640	-.038
Alimony	.737	.692	.045
TANF	.715	.741	-.026
Medicare	.482	.441	.040
Rent Assistance	.693	.701	-.007
Vehicle1	.577	.571	.005
Vehicle2	.220	.196	.023
Vehicle3	.204	.232	-.028
N=361	**N=137**	**N=224**	

*** p < .01 **p < .05 *P < .10 + p < .15

See Appendix C for variable descriptions.

Refer to Table 2 for the following discussion. Proportions reflecting the financial status of the individuals enrolled and not enrolled are fairly similar, within one to three percent. None of the financial variables of the enrolled and not enrolled were statistically significant. These findings support the conclusions of the ADD. When controlled for other factors, past and current welfare recipiency is not associated with being a saver.[14]

About 9% of those enrolled in the program owned there own home and 12% who were not enrolled owned their own home. This proportion seems logical since those who are applying to the IDA program are looking to obtain funding to purchase a home, education, or start a business. Most IDA program participants usually choose a home purchase as their asset goal and a small portion chose education or capital to start a business.

Having a checking account or savings account has no substantive significance to being enrolled or not being enrolled in the program. Those who have never received alimony are 73% not enrolled and 69% enrolled. Ironically receiving TANF has no statistical significance despite

[14] Sherraden, Michael. *Individual Development Accounts: Summary of Research*. Center for Social Development. Washington University. September 2002.

the program requirement that individuals must qualify for TANF benefits. Of those not enrolled about 72% have never received TANF and 74% of the enrolled have never received TANF. Those individuals who have never received Medicare made up 48% of the not enrolled and 44% of the enrolled. Just like alimony, receiving Medicare did not have a statistically significance to being enrolled in the program even though there was about 4% difference between the two proportions. Having never received rent assistance is not a predictor of being enrolled or not being enrolled in the program. Owning a vehicle also had no statistical significance. Fifty-seven percent of both the enrolled and not enrolled owned one vehicle.

Table 3: Asset Savings Goals of Applicants

Asset	Not Enrolled	Enrolled	Total
Home	94 68.6%	153 68.3%	247 68.42
Education	22 16.1%	41 18.3%	63 17.5%
Capital	5 3.7%	13 5.8%	18 5%
Home & Education	16 11.7%	17 7.6%	33 9.1%
Total	137 100%	224 100%	361 100%

By definition, applicants and participants have several choices to save for. The concept of an IDA account is for an individual to increase their assets by saving for a down payment on a home, education, or have capital available to start a small business. The sample has a portion of individuals who were saving for both a home and education. Refer to Table 3 for the breakdown of the sample. The largest portion of the applicants' asset goal was a home, about 68% of enrollees and non-enrollees. The second largest portion is education. Sixteen percent of those not-enrolled wanted to save for education and 18% of the enrolled are saving for education. Only 5% of the total sample wanted to or is saving to start a small business. Almost 12% of those not enrolled and about 8% of those enrolled wanted to save or is saving for both a home and education.

I now estimate the influence of a particular characteristic (e.g. race) on the chance of choosing a particular asset goal, (e.g. saving for education instead of home) after accounting for the influence of other characteristics. To do so, I estimate a multinomial logit, where the probability of each type of choice is conditioned on the characteristics depicted in Tables 1-2 compared to the base category of choosing to save for a home. These characteristics proved to be important to examine, because the national AFI Participant Survey showed that the predominant characteristics of program participants tend to be female, African-American, never married, and with some postsecondary education.[15] See Table 4 for the results of this analysis.

Table 4: Predicting Asset Goal (all applicants)

Variable	Save for Education (1)	Save for Capital (2)	Save for Home and Education (3)
Male	.58 (.45)	.49 (.73)	.15 (.70)
African-American	-1.8 (.42)***	-.49 (.78)	-.87 (.57)
Two-year college	1.7 (.68)***	-.79 (.1.1)	.75 (.73)
Four-year college	1.3 (.96)**	.77 (.85)	1.0 (.72)
Some College	1.5 (.62)**	-.27 (.78)	.83 (.62)
Single	1.4 (.54)***	.15 (.72)	.29 (.57)
Employed Full-time	-2.2 (.66)***	-2.1 (.94)**	-.49 (.91)
Employed Part-time	-1.3 (.69)*	-2.3 (1.2)**	.20 (.93)
No Kids	.51 (.41)	-.22 (.70)	-.93 (.60)+
Have checking Acct	-.27 (.50)	.22 (.93)	.26 (.63)
Have Savings Acct	.16 (.41)	-1.9 (.64)***	-1.2 (.45)***
Vehicle1	.03 (.42)	-.35 (.71)	-.99 (.46)**
Own Home	2.2 (.57)***	3.3 (.82)***	-.12 (1.1)
N=361	**N =137**	**N=224**	

Table Note: significance by multinomial logit coefficient
*** p < .01 **p < .05 *P < .10 + p < .15
See Appendix C for variable descriptions.

[15] DeMarco, Donna, Mills, Gregory, Lam, Kim, Rodger, Christopher, Kaul, Bulbul. *Assets for Independence Act Evaluation Impact Study: Final Report.* Contract # 233-02-0088 Abt Associate Inc. 22 Feb, 2008.

Being male does not appear to be an important determinant of an individual's saving goal. African-Americans are less likely (about 16%)[16] to save for education as a home. However, being African-American does not have a relationship to any other asset goal.

Our sample shows that education level is a predicting characteristic for education as a savings goal. Those with a college education or some college education are more likely to save for education over a home. Having a two-year degree is more statistically significant than a four-year degree or having some college education; however, the difference may be inconsequential. Those with a 2-year degree are about 6 times more likely to for education than save for a home. Those with a 4-year degree are over 5.5 times likely to save for more education than for a home and those with some education are almost 4.5 times more likely to save for education. This finding is intriguing if a participant is saving for their own education. However, the finding is consistent with common knowledge that those with higher education levels value education and learning if a participant is saving for their children's education. The model did not predict any other relationship with the other asset goals.

Those who are single are more likely to save for education over a home (4 times more likely). Being single is very statistically significant. Rationally, a single person would be more likely to continue education.

Workers employed full-time were less likely (only 11%) to save for education than for a home. Being employed part-time is statistically significant, but not as significant as full-time employment. Subsequently, being employed full-time or part-time is also correlated with saving for capital. Those who are employed full-time or part-time are more likely to save for a home than to start a business. Again, this may be parallel to the fact that those who are employed find more benefit from purchasing a home than continuing their education.

[16] The odds ratio is calculated as exponent(β), for example in Table 4, $\exp(-1.8) = .16$

Interestingly, having a savings account is a very statistically significant predicting characteristic. Those who have a savings account are more likely (16% more likely) to save for a home than for capital and 30% more likely to save for a home than the combination of education and a home. Conversely, there was not a statistically significant relationship to saving for education. More research should be conducted to further analyze this conclusion.

Owning a home is a predicting characteristic. A very statistically significant relationship was identified with saving for education and saving for capital. Again, this is reasonable correlation. Those who already own their home would most likely try to obtain a different asset if enrolled into the IDA program.

I also estimated the same multinomial logit model restricted to people who participated in the program. The probability of each asset choice is conditioned on the characteristics depicted in Tables 1-2 compared to the base category of choosing to save for a home. See Table 5 for the results of this model, which are similar to those reported in Table 4 for the full sample.

Table 5: Predicting Asset Goal (all applicants)

Variable	Save for Education (1)	Save for Capital (2)	Save for Home and Education (3)
Male	.56 (.67)	.22 (.99)	1.2 (1.1)
African-American	-2.3 (.58)***	-1.4 (.97)	-.02 (1.1)
Two-year college	1.6 (1.0) +	-2.1 (1.6)	.92 (1.3)
Four-year college	2.3 (1.6)**	.14 (1.0)	.79 (1.4)
Some College	2.1 (.99)**	-.83 (.94)	.58 (1.3)
Single	1.5 (.78)*	.01 (.96)	1.0 (1.3)
Employed Full-time	-2.5 (1.0)**	-3.2 (1.2)***	20.4 (.67)
Employed Part-time	-2.3 (1.2)**	-3.2 (1.4)**	21.4 ()
No Kids	.57 (.57)	-1.1 (1.0)	-.12 (.92)
Have checking Acct	-.07 (.70)	.28 (1.2)	2.6 (1.4)
Have Savings Acct	.03 (.53)	-2.0 (.81)**	-2.4 (.71)
3 vehicles	.24 (.58)	-.21 (.91)	-1.5 (.73)
Own Home	3.5 (.82)***	3.9 (1.2)***	.26 (1.6)
N=224			

Table Note: significance by multinomial logit coefficient
*** p < .01 **p < .05 *P < .10 + p < .15
See Appendix C for variable descriptions.

Just as the entire sample, being male and enrolled in the program does not predict an individual's saving goal. Among enrollees, African-Americans are much less likely (only 10% as likely) to save for education than a home. Analyzing only those who were enrolled did not change that being African-American is not a predicting characteristic of any other asset goal.

The enrolled portion of the sample shows that an individual's education level is a predicting characteristic for education as the asset goal; however this relationship did not prove to be more statistically significant than the entire sample. Oddly, those who have a four-year degree or some college are more likely to save for education, but those with a two-year degree are only slightly statistically significant more likely to save for education over a home. Conversely, when those who were not enrolled in the program were included in the model a two-year degree is more statistically significant than a four-year degree or having some college education to save for education over a home.

Those who are enrolled in the program and are not married or cohabiting are more likely to save for education than save for a home, but this not as statistically significant as the entire sample.

Being employed full-time or part-time is statistically significant to be more likely to save for a home than save for education. Subsequently, being employed full-time or part-time is also interrelated with saving for capital. Those who are employed full-time or part-time are more likely to save for a home than to start a business. Compared to the analysis of the entire sample those who are enrolled and are employed full-time are very statistically significant.

Again, those who have a savings account are negatively associated with saving for capital; however those who are enrolled do not have as statistically significant correlation as the entire sample's model. They are only 13% more likely to save for a home over starting a small business. Additionally, when analyzing the enrolled portion, no relationship was identified with the combined goal of saving for education and a home.

Not surprisingly, of the enrolled program participants, those who already own their own home are more likely to save for education or capital. This is very statistically significant just as in the model for the whole sample.

Conclusions

A limitation of this analysis is that the tested sample came from one IDA program in Alabama. The population of Alabama is not representative of the United States and therefore conclusions should be generalized to national participants with caution.

However, for the purposes of this study and recommendations for United Way of Bluegrass, drawing conclusions from UWCA's program is quite relevant to UWBG's overall target population. This analysis supported the finding in the literature review that the majority of participants are female. Efforts should be made to help attract more males to IDA programs. UWBG has a unique opportunity to launch its program with a men's recovery program called Shepherd's House.

Additionally, asset savings goal was found to be related to African-Americans, the employed, and education level. Among these characteristics, African-Americans and/or employed are more likely to save for a home. Those with at least some post-secondary education are considerably more likely to save for education.

UWBG's IDA program will be targeted toward the homeless, substance abusers, and ex-offenders; often these populations have received some form of public assistance. The finding that receiving certain forms of public assistance, such as Medicare, TANF, and rent assistance has no statistical significant relationship to IDA program participation is especially important to UWBG's program intent.

When designing the program, it is important to account for the portion of program participants who choose to save for a particular asset. The majority of participants chose to save for a home, the next highest portion chose education, and a small portion chose to save for capital. Institutional factors should account for this disproportion. For instance, there should be adequate relationships built with loaning entities in order to provide participants with housing loans after they acquire their down payment for a home. Educational classes should be designed to fit the participant's asset savings goal and needs. Particularly, home ownership classes should be a priority in UWBG's IDA program design.

The key institutional factors outlined in the *Literature Review* that comprise a successful IDA program are: access, information, incentives, facilitation, and expectations. Additionally, program features that affect savings performance are: high match rates, direct deposit, and hours of financial education. These factors seem to be the more vital components of a successful IDA program. UWBG should take great care in the design and implementation of their IDA program; participant success is directly correlated to the quality of the program in which they are enrolled.

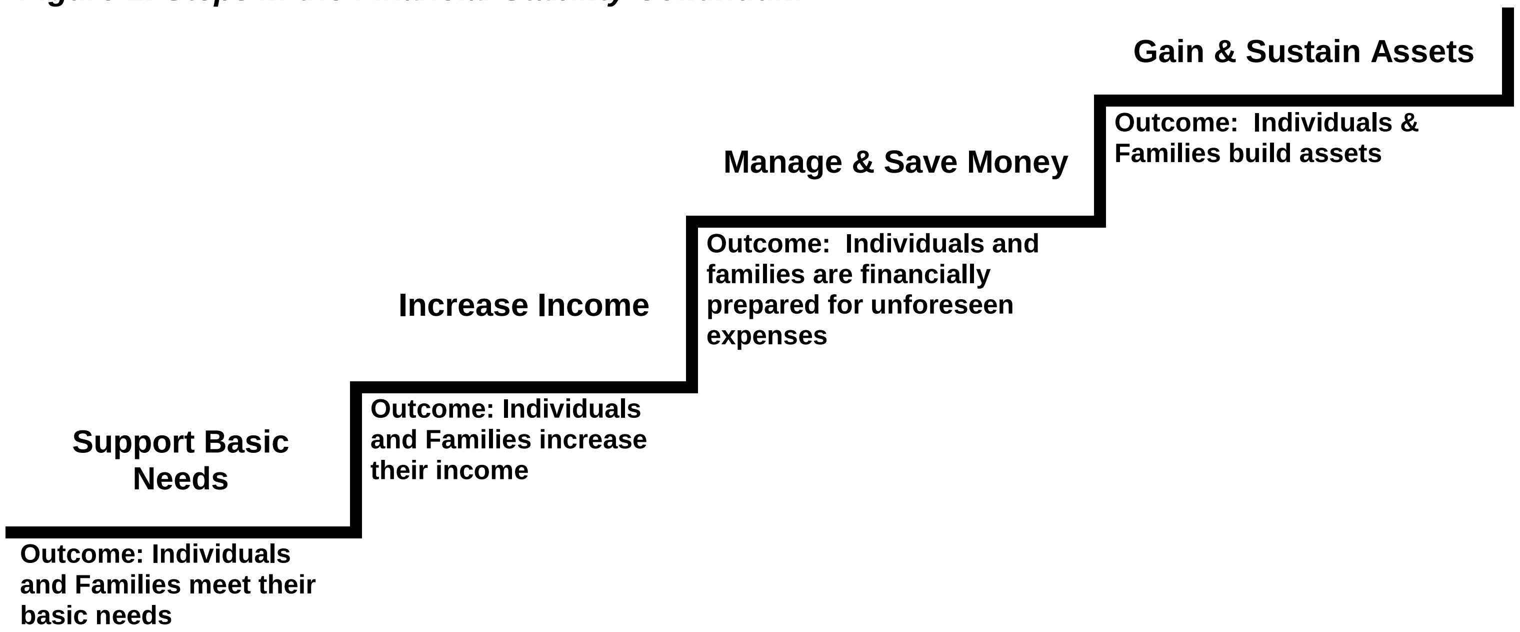
Appendix A: United Way of the Bluegrass Financial Stability Chart

United Way of the Bluegrass
Financial Stability Impact Council
Community Impact Agenda

A focus on financial stability enhances traditional United Way investments and partnerships from singular focus on temporary, band-aid fixes to an additional emphasis on long-term solutions. The steps of the Financial Stability Continuum [figure 1] focus on four broad areas that must be addressed to move people out of crisis and into financial independence.

Individuals and families in our community are at different points of the continuum. Many are at the point of crisis or near crisis and must focus their efforts on increasing the income they can access. Others are bringing in sufficient income but lack the necessary savings to withstand financial setbacks. Finally, there are individuals and families in our community that have income and savings and are ready to move to sustainable assets that will ensure the greatest financial stability possible.

Figure 1: Steps in the Financial Stability Continuum



Appendix B: Census Statistics

People QuickFacts	Fayette County	Kentucky	Walker County	St. Clair County	Shelby County	Jefferson County	Blount County	Alabama Average
Population, 2008 estimate	282,114	4,269,245	68,970	79,837	187,784	659,503	57,441	
Population, percent change, April 1, 2000 to July 1, 2008	8.3%	5.6%	-2.5%	23.3%	31.1%	-0.4%	12.6%	13%
Population estimates base (April 1) 2000	260,512	4,042,284	70,713	64,742	143,279	662,062	51,023	
Persons under 5 years old, percent, 2008	7.0%	6.7%	6.2%	6.6%	7.5%	6.9%	6.4%	7%
Persons under 18 years old, percent, 2008	22.2%	23.6%	22.6%	23.9%	26.6%	24.0%	24.0%	24%
Persons 65 years old and over, percent, 2008	10.7%	13.3%	16.4%	12.5%	9.2%	13.6%	14.3%	13%
Female persons, percent, 2008	50.6%	51.1%	51.8%	49.8%	50.7%	52.6%	50.3%	51%
White persons, percent, 2008 (a)	81.3%	89.9%	91.9%	89.0%	87.0%	56.3%	96.3%	84%
Black persons, percent, 2008 (a)	13.7%	7.7%	6.7%	9.3%	10.3%	41.1%	2.1%	14%
American Indian and Alaska Native persons, percent, 2008 (a)	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.6%	0%
Asian persons, percent, 2008 (a)	3.1%	1.0%	0.3%	0.4%	1.5%	1.3%	0.2%	1%
Native Hawaiian and Other Pacific Islander, percent, 2008 (a)	0.1%	Z	Z	Z	Z	0.1%	Z	
Persons reporting two or more races, percent, 2008	1.5%	1.1%	0.8%	0.9%	0.8%	0.9%	0.8%	1%
Persons of Hispanic or Latino origin, percent, 2008 (b)	5.8%	2.4%	1.4%	1.5%	3.9%	3.1%	7.2%	3%
White persons not Hispanic, percent, 2008	75.8%	87.8%	90.7%	87.6%	83.3%	53.6%	89.4%	81%
Living in same house in 1995 and 2000, pct 5 yrs old & over	42.5%	55.9%	63.9%	59.2%	48.9%	56.70%	59.4%	58%
Foreign born persons, percent, 2000	5.9%	2.0%	0.7%	0.6%	2.4%	2.3%	3.1%	2%
Language other than English spoken at home, pct age 5+, 2000	8.3%	3.9%	2.2%	2.1%	4.2%	4.6%	5.6%	4%
High school graduates, percent of persons age 25+, 2000	85.8%	74.1%	67.2%	71.3%	86.8%	80.9%	70.4%	75%
Bachelor's degree or higher, pct of persons age 25+, 2000	35.6%	17.1%	9.1%	11.1%	36.8%	24.6%	9.6%	18%
Persons with a disability, age 5+, 2000	42,433	874,156	19,192	12,858	19,992	136,578	11,675	
Mean travel time to work (minutes), workers age 16+, 2000	19.3	23.5	33.2	32.3	28.6	24.3	34.7	30.62
Housing units, 2008	133,149	1,920,581	33,368	31,365	78,924	310,623	21,766	
Homeownership rate, 2000	55.3%	70.8%	80.0%	83.7%	81.0%	66.5%	83.4%	79%
Housing units in multi-unit structures, percent, 2000	36.5%	17.7%	6.3%	4.6%	12.7%	25.4%	4.2%	11%
Median value of owner-occupied housing units, 2000	$110,800	$86,700	$66,700	$99,800	$146,700	$90,700	$86,800	$ 98,140
Households, 2000	108,288	1,590,647	28,364	24,143	54,631	263,265	19,265	
Persons per household, 2000	2.29	2.47	2.46	2.6	2.59	2.45	2.62	2.544
Median household income, 2008	$50,267	$41,489	$36,221	$48,804	$71,785	$46,269	$46,086	$ 49,833
Per capita money income, 1999	$23,109	$18,093	$15,546	$17,960	$27,176	$20,892	$16,325	$ 19,580
Persons below poverty level, percent, 2008	15.4%	17.3%	17.4%	12.6%	5.8%	13.8%	13.1%	13%

Appendix C: Variable Descriptions

Variable	Description
Enrolled	Applicant meets AFI requirements and is a IDA program participant
Not Enrolled	Applicant is not enrolled into the IDA program, either deemed ineligible or decided not to participate
Male	Of the male gender
African-American	African-American, African or Black
White	Caucasian or White
Other	Asian/Pacific Islander, Hispanic/Latino/Latin American/Mexican American
Married	Married, living with partner but not married (cohabiting)
Single	Not married
No Children	Applicant does not have any children
1-3 Children	Applicant has 1-3 children
Employed Full-time	Employed 35 hours a week or more
Employed Part-time	Employed less than 35 hours a week
Less than High School	Applicant did not graduate from high school or get a GED
High School/GED	Applicant graduated high school or has a GED
Some College	Applicant has attended a post-secondary but did obtain a degree
2-year degree	Applicant has a 2-year college degree (AA)
4-year degree	Applicant has a 4-year college or university degree
Graduate Degree	Applicant has a graduate degree
Own Home	Applicant owns their home
Have Checking Acct	Applicant has a checking account at a financial institution
Have Savings Acct	Applicant has a savings account at a financial institution
Have A Budget	Applicant uses a budget for household expenses
Alimony	Applicant or anyone in the applicant's household never has received or owed alimony
TANF	Applicant or anyone in the applicant's household never has received TANF
Medicare	Applicant or anyone in the applicant's household never has received Medicare
Rent Assistance	Applicant or anyone in the applicant's household never has received assistance to pay rent
Vehicle1	Applicant only owns 1 vehicle
Vehicle2	Applicant owns 2 or more vehicles
Vehicle3	Applicant does not own a vehicle

Alabama Asset Building Coalition
Individual Development Account (IDA) Program
Intake Survey

This is a survey of your opinions, personal background and financial habits.
Your answers <u>will not</u> affect your eligibility for the IDA program.
Please answer each question by marking an "X" in the appropriate box or by filling in the blank.

Name: ____________________ **Telephone:** ____________

Your IDA Program agency :
☐ 1. CAAA
☐ 2. Jonathan Daniels ☐ 3. Greene/Sumter ☐ 4. Jonathan Daniels
☐ 5. UWCA ☐ 6.

☐ Other: ____________________

<u>For IDA Program Staff Only</u>
Date: ____________
Staff: ____________
*IDA Program ID:*______

A: People in your Life

1) Do you know anyone else who is saving in an IDA program?

☐ 1. Yes → Is this person: *(mark all that apply)*
- ☐ 1. Family
- ☐ 2. Friend
- ☐ 3. Neighbor
- ☐ 4. Someone you work with
- ☐ 5. Someone at your church
- ☐ 6. Other ____________

☐ 2. No

2) Where did you find out about this IDA program? *(mark all that apply)*

☐ 1. Family
☐ 2. Friend
☐ 3. Neighbor
☐ 4. Someone you work with
☐ 5. Someone at church
☐ 6. Public housing, transitional housing, or shelter
☐ 7. Social services agency
☐ 8. Government assistance program
☐ 9. Tax preparation service
☐ 10. Poster
☐ 11. Brochure
☐ 12. Internet / web site
☐ 13. Newspaper
☐ 14. Radio
☐ 15. Television
☐ 16. Other (please specify ____________________)

3) Do you know anyone who:

(if you know more than one person, think of the person you have known longest)

A) Has a college education?

☐ 1. Yes →
☐ 2. No

1. How long have you known this person? __________years
2. What is your relationship with this person? _____________
3. Is this person: ☐ Male ☐ Female
4. Do they have a job?
   ☐ Yes What is their job? ______________________
   ☐ No

B) Has been successful at saving money for a particular goal?

☐ 1. Yes →
☐ 2. No

1. How long have you known this person? __________years
2. What is your relationship with this person? _________________
3. Is this person: ☐ Male ☐ Female
4. Do they have a job?
   ☐ Yes What is their job? _________________
   ☐ No

C) Owns their own home?

☐ 1. Yes →
☐ 2. No

1. How long have you known this person? __________years
2. What is your relationship with this person? _________________
3. Is this person: ☐ Male ☐ Female
4. Do they have a job?
   ☐ Yes What is their job? _________________
   ☐ No

D) Owns their own business?

☐ 1. Yes →
☐ 2. No

1. How long have you known this person? __________years
2. What is your relationship with this person? _________________
3. Is this person: ☐ Male ☐ Female
4. What is their business? _____________________________

Please continue to next page

B: Financial Opinions

1) How do you feel about your current financial situation? *(mark one)*

a) ☐ Very Satisfied
☐ Satisfied
☐ Unsatisfied
☐ Very Unsatisfied
☐ No Opinion

b) Why? ____

2) How do you see your financial future? *(mark one)*

a) ☐ Very Positive
☐ Positive
☐ Negative
☐ Very Negative
☐ No Opinion

b) Why? ____

3) What are the main barriers to making a better life for yourself and your family?
(mark all that apply)

A ☐ Not enough money
B ☐ Bad credit
C ☐ Not enough education
D ☐ Not enough time
E ☐ Lack of steady work
F ☐ Lack of stable housing
G ☐ Lack of reliable transportation
H ☐ Disability
I ☐ Health problems
J ☐ Government policies or rules
K ☐ Immigration issues
L ☐ Language/cultural barriers
M ☐ Lack of affordable child care
N ☐ Legal issues
O ☐ Other (please list ____)

Please continue to next page

4) Thinking about your ability to improve your family's life, is your credit rating:
(mark one)

- ☐ Very Important
- ☐ Important
- ☐ Unimportant
- ☐ Very Unimportant
- ☐ No opinion or don't know

5) What kind of credit rating do you think that you have? *(mark one)*

- ☐ Excellent
- ☐ Good
- ☐ OK
- ☐ Bad
- ☐ Very Bad
- ☐ No opinion or don't know

C. Knowledge and Training in Financial and Other Skills

Mark your level of knowledge in each area and mark when you had training (if any).

1) Personal finances / banking (How to use checking/savings accounts, balancing checkbooks)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ____________________

____

2) Budgeting / financial decision-making (Making decisions on how to spend money)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ____________________

____

3) Credit and debt management (Credit reports, credit repair, dealing with past due bills)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ____________________

____

4) Creating savings goals (How to plan for future purchases, planning for the future)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ________________________

____

5) Insurance (How to buy life or health insurance, understanding different types of insurance)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ________________________

____

6). Taxes (How to pay taxes, Earned Income Tax Credit, filling out tax forms, getting tax help)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ________________________

____

7) Buying a home (How to get a mortgage, understanding the purchase process)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ________________________

____

8) Career planning (How to find the jobs you want, how to get a better job, improving skills)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ________________________

____

9) Personal life skills (Personal effectiveness, self-esteem, building a good family life)

Level of your knowledge: ☐ Very high ☐ High ☐ Medium ☐ Low ☐ None

When did you have training? ☐ Never ☐ In Past Year ☐ 1-2 years ago ☐ 3 or more years ago

Optional Comments (where you learned, description of training, etc.) ________________________

____

D: Choices about Money

1) After you pay your bills each month, do you usually have extra money?

- ☐ Yes → How much? $ ____________
- ☐ No

2) If you have extra money each month, what do you usually do with it?
(mark all that apply)

- ☐ Save it in the bank
- ☐ Save it at home
- ☐ Spend it on yourself, family or friends
- ☐ Pay off money that you owe (credit cards, loans)
- ☐ Give it away (to charity or family/friends)
- ☐ Buy more or higher quality items (like food or clothing)
- ☐ Buy luxuries (electronics, TV's, other items)
- ☐ Other ___________________________

3) When you receive a paycheck or government benefits, what do you usually do with the check? *(mark the <u>one</u> answer that indicates what you do with the actual check)*

- ☐ I don't receive checks from a job or the government
- ☐ Cash check at payday loan outlet, check cashing outlet (receive cash)
- ☐ Cash check at grocery store (receive cash)
- ☐ Cash check at bank (receive cash)
- ☐ Deposit check into bank account (receive some or no cash)
- ☐ Automatic direct deposit into bank account
- ☐ Other ___________________________

Please continue to next page

4) In the past six months, did you need money for an essential item or emergency (such as medical bills, food, rent, or car repair)?

- ☐ Yes
- ☐ No

(If yes) **Did you get money to pay for it?**

- ☐ Yes
- ☐ No

(If yes) **Where did you get the money?**
(mark all that apply)

- ☐ Had enough money from regular income
- ☐ Borrowed from family or friends
- ☐ Borrowed from payday loan
- ☐ Took from savings (not in a bank)
- ☐ Took from a bank savings account
- ☐ At a pawnshop
- ☐ Charged to a credit card
- ☐ Got a bank loan
- ☐ Bought less food
- ☐ Didn’t pay rent or bills
- ☐ Didn’t buy something else
- ☐ Other ______________________

5) In the past six months, did you want money for a special purchase (like a CDs, special clothes or other nonessential items)?

- ☐ Yes
- ☐ No

(If yes) **Did you make that special purchase?**

- ☐ Yes
- ☐ No

(If yes) **Where did you get the money?**
(mark all that apply)

- ☐ Had enough money from regular income
- ☐ Borrowed from family or friends
- ☐ Borrowed from payday loan
- ☐ Took from savings (not in a bank)
- ☐ Took from a bank savings account
- ☐ At a pawnshop
- ☐ Charged to a credit card
- ☐ Got a bank loan
- ☐ Bought less food
- ☐ Didn’t pay rent or bills
- ☐ Didn’t buy something else
- ☐ Other ______________________

E: General Background Questions

1) Do you use a budget for household or personal expenses?

☐ Yes ☐ No

2) Do you have health insurance?

☐ Yes ☐ No

3) Do you have life insurance?

☐ Yes ☐ No

4) Are you currently a student?

☐ Yes ☐ No

5) Have you ever declared bankruptcy?

☐ Yes → What year? (most recently) ________________

☐ No

6) Have you ever been evicted?

☐ Yes → What year? (most recently) ________________

☐ No

7) What type of housing do you currently live in?

a. ☐ A home you or your family own

b. ☐ Rental housing (not subsidized)

c. ☐ Section 8 or publicly subsidized housing →

d. ☐ Transitional housing →

e. ☐ A shelter →

f. ☐ Other temporary situation

If c, d, or e, name of the housing program or shelter:

____

____

8) Have you been homeless in the past 5 years (for example: staying in a shelter, in transitional housing, sleeping outside, in a car or tent, or sleeping on someone's couch)?

☐ Yes

☐ No

Please continue to next page

F: Future Orientation

Imagine that you could borrow some money from a local nonprofit organization.

Circle the largest amount that you would be willing to pay.

1) Imagine that you borrow $40. How much would you be willing to pay back

if you were paying in 3 months?	$40	$44	$48	$52	$56	$60	more
What if you were paying in 6 months?	$40	$44	$48	$52	$56	$60	more
What if you were paying in a year?	$40	$44	$48	$52	$56	$60	more

2) Imagine that you borrow $200. How much would you be willing to pay back

if you were paying in 3 months?	$200	$220	$240	$260	$280	$300	more
What if you were paying in 6 months?	$200	$220	$240	$260	$280	$300	more
What if you were paying in a year?	$200	$220	$240	$260	$280	$300	more

3) Imagine that you borrow $1,000. How much would you be willing to pay back

if you were paying in 3 months?	$1,000	$1,100	$1,200	$1,300	$1,400	$1,500	more
What if you were paying in 6 months?	$1,000	$1,100	$1,200	$1,300	$1,400	$1,500	more
What if you were paying in a year?	$1,000	$1,100	$1,200	$1,300	$1,400	$1,500	more

Thank you for completing this survey. It will be used to evaluate the IDA Program.

Date: ________________
Staff: ________________
IDA Program ID: ________

Alabama Asset Building Coalition
Individual Development Account (IDA) Program
Application Form

Please answer each question by marking an "X" in the appropriate box, or by filling in the blank. Consult an IDA case manager if you are not sure how to answer a question.

A. Demographic Information

First name: ______________________ Last name: ___________________________

Address ____ Apartment # _________

City: ___________________________________ State: _______ Zip Code: _________

How long have you lived at this address? ________ years _________ months

Home phone: (_____) ______________ Work phone: (_____) ____________________

Pager/cell: (____) ________________email: __________________@ ______________

Name of case manager submitting this application: _____________________________

Agency: ☐ 1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐ 6. Other: ____

1) Gender:
- ☐ Male
- ☐ Female

2) Year of birth : _____ (You must be 18 years or over to enter the IDA program.)

3) Are you a US Citizen?
- ☐ Yes
- ☐ No ⟶ If not, what country? ____________________________________

4) What language do you and your family usually speak at home? *(mark one)*

☐ Amharic	☐ Chinese	☐ Cambodian	☐ English
☐ Korean	☐ Russian	☐ Samoan	☐ Somali
☐ Spanish	☐ Tagalog	☐ Ukranian	☐ Vietnamese

☐ Other (please list__________________________)

5) Which category would you use to describe yourself? *(mark all that apply)*
- ☐ Caucasian or White
- ☐ African-American, African or Black
- ☐ Asian or Pacific Islander
- ☐ Hispanic, Latino, Latin American, or Mexican American
- ☐ American Indian or Aleut
- ☐ Other Race or Ethnicity: __________________________________

6) a. What is the highest level of education you finished? *(mark one)*

- ☐ Less than high school
- ☐ High school diploma or GED
- ☐ Some college
- ☐ 2-year college degree (AA)
- ☐ 4-year college or university degree
- ☐ Graduate school

b. Have you taken training in a trade program, vocational tech, or certificate program?

- ☐ Yes ⟶ What year did you most recently attend? _________
- ☐ No

7) Current marital status: *(mark one)*

- ☐ Married
- ☐ Single
- ☐ Living with a partner but not married

8) Social Security Number (SSN): _______ - _____ - _______ or

Tax Identification Number (TIN): _____ - _________________

(You must have an SSN or TIN to enter the IDA program; this will be kept private and confidential.)

9) What is your employment status? *(mark one)*

- ☐ Employed part-time (less than 35 hours a week)
- ☐ Employed full-time (35 hours a week or more)
- ☐ Self-employed (working for yourself)
- ☐ Not currently employed

10) Including you, how many people in your household[1] work full-time? *(at least 35 hours/week)* ___
Including you, how many people in your household work part-time?*(less than 35 hours)* ______

11) How many children under 18 years old live in your household? ______
How many adults (including yourself) 18 or older live in your household? _______

IDA Program staff notes (A):

[1] A household includes all individuals who share use of a dwelling unit as primary quarters for living & eating separate from other individuals.

B. Household Annual Gross Income (Eligibility Test)

1) You may qualify for the IDA Program based on your household status with Temporary Assistance for Needy Families (TANF). If possible, provide a copy of the TANF award letter.

a. Is anyone in your household currently receiving TANF?
☐ Yes ☐ No ☐ Don't know

b. Is anyone in your household eligible for TANF but not currently receiving it?
☐ Yes ☐ No ☐ Don't know

c. Did anyone in your household receive TANF since August 1997?
☐ Yes ☐ No ☐ Don't know

2) Household gross income for past 12 months. ***If necessary, estimate from paystub year-to-date amount and consider seasonal employment.*** *(Gross income this means the total amount you or others in your household receive before taxes or other deductions are taken out of your checks)*

a. Formal Employment .... $ ________________
b. Self-employment (working for yourself) .... $ ________________
c. Pension or retirement income......................... $ ________________
d. Interest and investment income...................... $ ________________
e. Other income* (____________________) .... $ ________________

* Do not include government assistance, alimony, child support, or family support in other income.

f. **Total household annual gross income for eligibility test (a-e): $**______________

(IDA Program staff: use TANF status and/or income chart to determine income eligibility)

IDA Program staff notes (B):

C. Household Assets (Net Worth Eligibility Test)

1) Do you or anyone in your household have a checking account?

☐ Yes → Account Balances: $ ______________

☐ No →

a) Have you ever had a checking account?

☐ 1. Yes

☐ 2. No - Why not? ______________________________

2) Do you or anyone in your household have a savings account?

☐ Yes → Account Balances: $ ______________

☐ No →

a) Have you ever had a savings account?

☐1. Yes

☐2 . No - Why not? ______________________________

3) Does anyone in your household own the home where you live? *(not included in net worth test)*

☐ Yes → Value of home: $ ____________ How much of the mortgage is left to be paid? $ ____________

☐ No

4) Does anyone in your household own a business?

☐ Yes → Value of business: $ ______________ Amount of any business loans? $ ______________

☐ No

5) How many vehicles (cars or trucks) are owned by you and anyone in your household?

☐ No vehicles (cars or trucks)

☐ One vehicle →

☐ 2 or more vehicles →

A. Value of primary vehicle* $__________ Amount owed on loan* $__________

** first vehicle is not included in net worth test*

B. Value of second vehicle	$ __________	Amount owed on loan	$__________
C. Value of third vehicle	$ __________	Amount owed on loan	$__________
D. Value of fourth vehicle	$ __________	Amount owed on loan	$__________
E. Value of other vehicles	$ __________	Amount owed on loans	$__________

If you have vehicle loan(s), where did you get the loan(s)? *(Mark all that apply)*

☐ 1. Friends ☐ 2. Family ☐ 3. Banks ☐ 4. Other ______________________

(Value can be determined on http://www.kbb.com/kb/ki.dll/kw.kc.tp?kbb&&773&split_owners)

6) Does anyone in your household own any other homes, rental property, real estate, a boat, or other large assets?

☐ Yes → Value $ ______________ Amount of any related loans? $ ______________

☐ No

7) Assets on this page (total of 5 bold boxes): Box A $____________________

8) Liabilities on this page (total of 3 dashed boxes): Box B $ ____________________

IDA Program staff notes (C):

D. Household Liabilities (Net Worth Eligibility Test)

1) Does anyone in your household owe any money to family or friends?

☐ Yes → Total amount due: $ ____________________

☐ No

2) Does anyone in your household have a credit card?

☐ Yes → Account Balances: $ ________________

☐ No → **Have you (or any adults in your household) ever had a credit card?**
☐ 1. Yes ☐ 2. No - Why not? ________________________________

3) Does anyone in your household have any student loans?

☐ Yes → Total amount owed: $ _______________
Are they deferred? ☐ Yes ☐ No For how long? ____________

☐ No

4) Does anyone in your household have any past due medical bills?

☐ Yes → Total amount owed: $_________________

☐ No

5) Does your household have any bills past due (like phone, electricity, water, sewer bills)?

☐ Yes → Total amount past due: $ ______________

☐ No

6) Does anyone in your household have any other loans (household items, payday loans)?

☐ Yes → Total amount due: $ _____________ What type of loan? _____________________

☐ No

7) Total Liabilities on this page (total of 6 dashed boxes): Box C **$**_________________

8) Household net worth calculation (excluding primary home and one vehicle):

a. Box A (bottom of page 4)... $ _____________

b. Box B (bottom of page 4)... **-** $ ____________

c. Box C (above).. **-** $ _____________

d**. Net worth = total assets minus liabilities**
(Box A minus Box B minus Box C) .... = $ ____________

(Net worth must be below $10,000 to enter IDA program)

IDA Program staff notes (D):

E. Other Household Information (does not affect eligibility)

1) Does anyone in your household owe money every month to:

Alimony, child support, or family support ... ☐ Yes ☐ No If yes, how much? $ _______________
Wages garnished for other reasons .... ☐ Yes ☐ No If yes, how much? $ _______________

2) Has anyone in your household ever received help from any of the following?
(mark the most recent time you or a member of your household received the the help)

		Never	More than a year ago	Within past year	Within past month	Amount last month
a.	Food stamps	☐	☐	☐	☐	$ ____________
b.	TANF/welfare	☐	☐	☐	☐	$ ____________
c.	Medicaid	☐	☐	☐	☐	$ ____________
d.	Rent/housing assistance.	☐	☐	☐	☐	$ ____________
e.	Food banks	☐	☐	☐	☐	$ ____________
f.	WIC	☐	☐	☐	☐	$ ____________
g.	SSI	☐	☐	☐	☐	$ ____________
h.		☐	☐	☐	☐	$ ____________
i.	Alimony, child support, or family support	☐	☐	☐	☐	$ ____________
j.	Family or friends	☐	☐	☐	☐	$ ____________
k.	Other	☐	☐	☐	☐	$ ____________

(please list) ______________________________________

3) Which asset would you like to save for?

☐ Buying a home
☐ Paying for an education
☐ Capitalization of Small Business

IDA Program staff notes (E):

F. Emergency contact

In case we have trouble contacting you, please provide the name of a close friend or relative who will know how to reach you:

First name: ______________________ Last name: ___________________________

Address ____ Apartment # _________

City: _____________________________State ________ Zip Code: ______________

Home phone: (_____) ______________ Work phone: (_____) ____________________

Pager/cell: (____) ________________email: __________________@ ___________

IDA Program staff notes (F):

Please read the statements below carefully before you sign this document.

My signature below confirms that:

1. All the information in this application form is complete and accurate.
2. I authorize the Alabama Asset Building Coalition IDA Program to make inquiries and to obtain information that is necessary to verify the accuracy of the statements made in this application to determine my eligibility.
3. I understand that failure to provide accurate information may disqualify me from the IDA Program.

Signature: ____ **Date:** ________________