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Individual
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Accounts

Building financial assets for Michigan's low-income citizens

The Michigan IDA Partnership is an innovative partnership between the State of Michigan Family Independence Agency (FIA) and the Council of Michigan Foundations (CMF).



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* *ex-officio*

2002 International IDA Conference Highlights Michigan

The 5th National (and 1st International) IDA Conference sponsored by the Center for Social Development (CSD) out of Washington University in St. Louis, MO, the Corporation for Enterprise Development (CFED) in Washington, DC, and the Social and Enterprise Development Innovations (SEDI) in Toronto, Ontario, Canada was held in neighboring Windsor, Ontario, Canada on April 4-6. The event provided a comprehensive view of IDAs as a truly international movement and attracted a global audience that included accountholders, practitioners, community leaders, policymakers, financial professionals, funders, researchers, and evaluators from the United Kingdom, South Africa, Taiwan, Puerto Rico, Canada and the United States to name a few. A total of 13 nations, 38 states, and 892 individuals were represented.

In the U.S., Michigan continues to be a leader in the field and was highlighted in several sessions throughout the conference by partners, program sites, and accountholders. Eric Muschler, Director of the Michigan IDA Partnership, was asked to present on Collaboration and Growing Your Program to Scale. Shirley Nowakowski from the Family Independence Agency in Lansing presented on State IDA Policy: Current Status and Key Challenges. Benita Melton of the C.S. Mott Foundation in Flint also presented at a Special Funders-Only Forum and sponsored a Reception at the Charles H. Wright Museum of African American History in Detroit where Representative Hubert Price, the father of IDAs in Michigan, offered words of inspiration and support to an audience of hundreds.

Other panelists from Michigan included Jeanette Harris from the U.S. Department of Housing and Urban Development in Detroit on Funding Sources and Strategies and Michael Barr from the University of Michigan Law School in Ann Arbor on IDAs and Other Financial Services for Low-Income Clients.

Three IDA Programs in the Detroit area were asked to provide Site Visits for conference participants. These sites were recognized for the impact they have made on microenterprise, housing and faith-based IDA program fields. They included the Oakland Livingston Human Service Agency (OLHSA) in Pontiac, the Detroit Entrepreneurship Institute (DEI), and the Michigan Neighborhood Partnership (MNP) in Detroit with presentations from the Church of the Messiah Housing Corporation of Detroit and the Arab American Community Center for Economic and Social Services (ACCESS) of Dearborn.

Shannon Bergt Hulswit, a Michigan \$aves! participant from OLHSA, was also contracted by the conference committee to create memorabilia in the form of postcards that were distributed to all participants. Shannon designed the postcards with a drawing of the Ambassador Bridge on the front and a Thank You message from the Michigan IDA Partnership on the back.

Overall, the conference was a huge success and provided a great opportunity for Michigan to actively participate and reveal the positive impact the state is making to empower the field and low-income families and individuals to break the cycle of poverty.



VISTA Corner highlights various contributions and services AmeriCorps VISTAs provide to the Michigan IDA Program. We welcome them into our partnership and hope the experience proves to be valuable and rewarding.

If you would like to highlight your VISTA in future editions of *Asset Developments*, please contact the MIDAP office at (734) 542-3951.

VISTA Corner

AmeriCorps VISTA Danette Ranson first heard about IDAs at a workshop during the Michigan Community Action Agency Association (MCAAA) Summer Conference in July 2000. She thought it was an excellent program to help low-income families obtain assets or further their education. With her extensive experience in community service as Program Policy Chairperson for the HeadStart Policy Council and as a member of various health and education committees connected to Community Action and the Chippewa Health Department, Danette felt that the IDA program would be a good mesh with other local programs.

Danette decided to work as a VISTA volunteer after finding that Jennifer Watson, CEO of Federal Employees of Chippewa County Credit Union (FECCCU), was interested in piloting the IDA program for the Sault Sainte Marie area. Jennifer and Danette worked together to determine the program's target market and feasibility. They concluded that First Time Home Buyers and Post Secondary Education were two priorities in the area that IDAs could help with.

Jennifer and Danette joined the first round of participants in the Financial Education component of

the program. They both felt that they benefited by participating in the classes and that everyone could benefit from taking financial education classes. They had a good time learning with the IDA Savers and it provided them with an opportunity to find their program's weaknesses and strengths.

Danette is the mother of four boys and has one grandson. She is a native of Michigan and has resided in Sault Sainte Marie for 21 years. Danette speaks as "Aunt Dan" on a local radio show, WSOO-1230AM station, on Wednesday mornings at 10:00 a.m. and Saturday mornings at 9:00 a.m. (You can download at www.radiosoo.com). Aunt Dani speaks on a variety of subjects including the IDA program when on air.

This is Danette's second year as an IDA Program Coordinator for FECCCU. Danette's interest in the IDA program comes from her desire to help as many people as possible obtain a better life, and without the many obstacles she had to overcome as a single parent. "I feel that there are many ways to help low-income people, but the best way is to become involved in your community to find ways to help others as well as helping yourself – that is extremely rewarding."

Michigan Women's Foundation Makes IDAs a Funding Priority

While it may not be the largest asset-based public charity in the state, the Michigan Women's Foundation (MWF) has undoubtedly been one of the most active supporters of IDAs since its decision to list the program as a funding priority in May 2000. From its in-kind support of office space and resources for MIDAP to its participation at MIDAP's first Learning conference, MWF offers more than just monetary funds to support and raise awareness about asset building in Michigan. "Because women represent two-thirds of the population below 200% poverty, IDAs offer an excellent resource to change their lives. We needed to consider the program as a serious vehicle for grant making and programming," states Peg Talburtt,

President and CEO of the foundation. "Our investment ensures that the needs of women and girls are part of the thought process in implementing an IDA program and that programs operate with a gender lens. Women can then fully benefit from the education and asset building opportunities that IDAs provide."

MWF began to market its funding commitment by holding three meetings across the state and distributing materials about IDAs to potential grantees. Its resources generally contributed to program start-up costs and eventually led to match support as well. Currently it funds 12 programs and has leveraged \$105,000 in the field. "In just a short amount of time, the results have been tremendous. We've seen women who

have purchased homes and started small businesses and have made a difference in their lives as well as their children's," says Kathy Tkach, Program Officer for the foundation. Talburtt adds that, "These programs have implemented elements that support women in successfully completing the IDA program. Women have childcare needs, have come from situations where they have been abused financially or have no experience in dealing with finances, and are usually concerned about investing in their children ahead of themselves. They make time to support one another and create an atmosphere that encourages open communication and sharing. These are elements that need to be kept in mind when offering a program that includes female participants."

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MIDAP Year 1 Evaluation Report Now Available for Distribution!

The first year evaluation report for the Michigan IDA Partnership (MIDAP) provided by the Institute for Social and Economic Development (ISED) is complete! The report is broken into seven key "Areas of Interest" covering the following topics:

1. Coordination of MIDAP Relationships
2. Recruitment and Marketing
3. Eligibility Determination and Enrollment Process
4. Staffing and Staff Training
5. Services
6. Funding
7. Management Information System for Individual Development Accounts (MIS IDA)

The report also provides a comprehensive history of MIDAP, its program design, and includes a number of appendices outlining MIDAP's Organizational Chart, Year One Benchmarks, and Demographics and Background Characteristics of IDA Participants, to name a few. The report offers a number of recommendations to MIDAP involving each area of interest.

Overall the report finds that in the creation of MIDAP "a good deal of enthusiasm is evident, reflecting excitement about the creation of programsand expansion of the capacity of multiple organizations to collaborate at the regional level." Major findings include:

- Numbers of Accounts in first six months of American Dream Administration (ADD) were 55 accounts. MIDAP had 152 accounts opened in the first six months
- Introduced New Structure for IDA Field
- Introduced New Concepts; integration of IDA services & regional efficiencies
- RCO & Program Site Network valued and utilized
- MIDAP widely seen as responsive, helpful
- New systems in place to foster performance; tracking, listserv, group e-mails

The IDA Advisory Committee was very pleased with the report and wishes to thank all Program Sites and Partners under MIDAP for their incredible work and commitment in providing asset-building opportunities for low-income families and individuals!

MIDAP is eager to share the report with those interested. If you would like to request a full 90-page copy of the MIDAP Year 1 Evaluation Report or the 2-page Executive Summary, please contact Rupal Patel by e-mail at idapatel@earthlink.net or call our office at 734/ 542-3951.



Success story

Saginaw Family Child Care Network

Kim and Mitch Towne are a young two-income family in the category of the "working poor." They struggled each month to pay all of their bills, and could never seem to get ahead. To them, home ownership seemed years off.

The Townes wanted to purchase a home in the country and raise their two children away from the city. Kim learned about the IDA program while working as an AmeriCorps member at the Saginaw County MSU Extension office. After attending an informational session, Kim and Mitch decided to tighten their budget and began saving the \$1,000 needed for a house. Since they wanted to be in their own home by spring, they chose the six months savings plan.

Kim began attending Saginaw Family Child Care Network IDA classes on money management,

repairing credit, types of insurance, differences in lending institutions and learning how to save. Each month that passed brought them closer to their goal of home ownership. They also enrolled in a "Home Buyers Workshop" program offered through the Saginaw County Community Action Committee, and received eight hours of counseling that walked them through the in's and out's of looking for, finding, and buying a home.

The IDA program has made owning a home a reality for the Towne family. The skills they have learned will carry over into many areas of their life.

Kim states that, "learning how to save has given me a feeling of pride. We set a goal for ourselves, and have finally achieved it."

Thanks SFCCN!



Mitch and Kimberly Towne's house, purchased March 27, 2002 through SFCCN IDA Program



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Michigan Women's Foundation

In addition to funding the "big three" assets – homeownership, small business, and education – MWF also supports a program that offers ITAs or Individual Transportation Accounts for automobile purchase. And while most foundations are more willing to offer the match piece of the IDA, MWF has funded programs for strictly administrative costs. "If you can't administer an IDA program, an IDA program cannot exist," states Talburt. "It's great to see that the small amounts we were able to contribute to the field have allowed programs to be up and running and that the notion of thinking specifically about the needs of women has resulted in the implementation."

"There are three main reasons why the foundation community in Michigan should support IDAs: 1) They really can change lives for participants in Michigan, 2) a growing body of evaluation and

outcome research on asset building strategies supports the expansion of IDAs in Michigan, and 3) the program involves unique community partnerships and collaboration," says Talburt.

MIDAP thanks the Michigan Women's Foundation for their generous contributions to the IDA field in Michigan and for its continuing support!

Michigan IDA Partnership Regional Statistics—March 2002

Region	# of Program Sites	# of Allocated Accounts	Open/Active Accounts
West	10	178	143
Thumb area	12	231	125
South	9	184	87
Detroit*	9	177	42
North*	9	166	56
Independent	2	51	13
Totals	51	987	466

Assets Purchased: 13 (as of May 31, 2002)
Total Savings: \$64,770.77

*Established January 2002.



Council of Michigan Foundations
P.O. Box 599
Grand Haven, MI 49417

Michigan IDA Partnership
Eric D. Muschler, Director
(734) 542-3951 • Fax (734) 542-3952
E-mail: Muschler@Earthlink.net

Asset Developments

A complimentary, quarterly publication, *Asset Developments*, is distributed to IDA funders, potential funders, IDA providers, IDA participants, key state departments, legislators, and others who are interested in the implementation of IDAs.

Funding for the publication is provided by the Charles Stewart Mott Foundation.

Please direct any comments, questions, concerns or submissions to: Eric Muschler, CMF, P.O. Box 599, Grand Haven, MI 49417.

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