

# ICCF

## INNER CITY CHRISTIAN FEDERATION

*Making places to come home to.*

### **What is an IDA?**

IDA'S, or Individual Development Accounts, are special matched savings accounts designed to help families and individuals of modest means establish a pattern of regular savings and, ultimately, purchase a productive asset. A productive asset is something of value that is likely to return substantial long-term benefits to its owner. Benefits like security, stability and opportunities for more income. ICCF IDA Program participants may use their savings and match money toward home purchase.

### **What is a savings match?**

A savings match is a promise to supplement an IDA participant's savings deposits at a specific rate. In other words, a 3:1 savings match means that for every \$1 an IDA participant saves, he will have another \$3 added (or matched) to his account balance. For example, A participant with a savings goal of home purchase who saved the maximum of \$1000 would receive a match of \$3000 for a total of \$4000 to be used towards the purchase of a home.

### **Why would anyone give away money like that?**

Savings matches are not "give aways", nor are they "free money". Participants earn the match by regularly saving their own hard earned dollars and taking other steps to prepare for the future by completing ICCF Financial Management workshops. Furthermore, providing match dollars is a way to help hard working low-income families and individuals build a more stable and secure future. Everyone benefits when more members of a community have the tools they need and the productive assets to provide for themselves and their families. Michigan has become the largest statewide asset-building initiative in the country.

### **Is there more to an IDA Program than just savings matches?**

Absolutely! Most people need more than just cash to become successful homeowners. For this reason IDA participants complete 16 hours of ICCF Financial Management workshops. The workshops are designed to help participants acquire or polish the personal and financial skills that are essential for long term success; skills like long range planning, household budgeting, credit repair and savvy consumer habits.

### **Who is eligible to enroll in the IDA program?**

The ICCF IDA Program is open to individuals or families who meet the following criteria:

- ❖ Resident of Kent County
- ❖ Potential participants must show proof of earned income that falls at or below 200% of the federal poverty level (see income limits below)
- ❖ Be able to save a minimum of \$20 per month from earned income
- ❖ Has completed ICCF's Introduction to Home Ownership OR Financial Capabilities class series

### **What is expected during the IDA Program?**

IDA participants are asked to commit to:

- ❖ Make regular monthly savings deposits of at least \$20
- ❖ Save in the program for at least 6 months
- ❖ Complete Introduction to Home Ownership and Financial Management Classes

- ❖ Meet occasionally with ICCF IDA program staff
- ❖ Review and address any credit issues
- ❖ Abide by the program rules and responsibilities as described by ICCF staff and written materials

**Household size income for previous 12 months cannot exceed:**

Using your household income for the past twelve calendar months, Please circle your household income in the chart below (for use between January 2017 – January 2018)

Family	Income Level	Family	Income Level	Family	Income Level
Size	200%	Size	200%	Size	200%
1	\$24,120	4	\$49,200	7	\$74,280
2	\$32,480	5	\$57,560	8	\$82,640
3	\$40,840	6	\$65,920	Ea. Add'l	\$8,360

**What about making savings withdrawals?**

Because IDA’s are intended to help people purchase productive assets, withdrawals for non-asset uses are strongly discouraged. However, in certain emergency situations, program participants may withdraw some of their savings before they are ready to purchase their chosen asset goal, but must first consult with ICCF program staff. Such withdrawals would not include the savings match. And, of course, participants are always free to close their accounts, withdraw from the program and receive all of their savings and earned interest.

**How do participants receive the matched amount?**

Matched funds are available to participants when they are ready to purchase their chosen asset goal. At that time a vendor check will be issued directly to the company, institution or individuals furnishing all or part of the chosen asset goal.

**What banks participate in the IDA savings program?**

ICCF’s IDA program in Kent County allows you to work with Chemical Bank, Fifth Third Bank, Huntington Bank, Macatawa Bank, and Mecantile Bank.

**How can I apply to participate?**

Anyone interested in finding out more about the ICCF IDA Program should call Kendra Utter at 1-616-336-9333 ext. 302 or visit [www.michiganida.com](http://www.michiganida.com) to find out who is participating in your area.