

Welcome!

Developing Funds for AFI IDAs

On Page 2 of Your Manual...

Please take 5 minutes to answer the following:

- How would you describe your funding strategy for the AFI IDA?
- Describe your fundraising successes for your AFI IDA so far.
- What are your strengths in fundraising for the AFI IDA?
- What are your greatest challenges?

Then, as a small group...

- Introduce yourselves and share your responses with each other.
- Pick one response from everyone at the table to share with the rest of the group.
- Consider choosing a response that is either representative of the rest of your group, or very unique from the rest of the group.
- Write these chosen responses on the flip chart provided.

The Fundraising Context

- The internal structure of the sponsoring organization and/or service provider network (collaborative)
- The AFI IDA Project itself
- The external world of funding sources and the general community in which the AFI IDA Operates

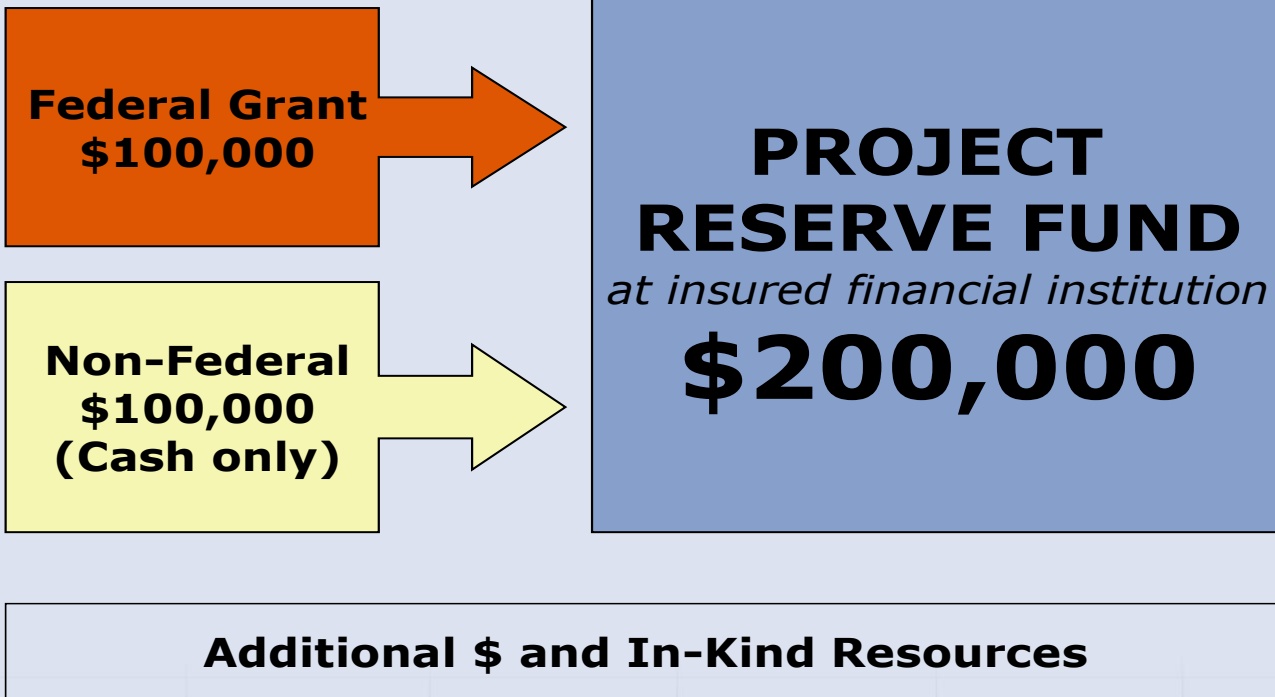
The AFI Funding Mix

What are the critical details of AFI legislation that affect raising nonfederal contributions?

How does this help fundraising?

How does this hinder fundraising?

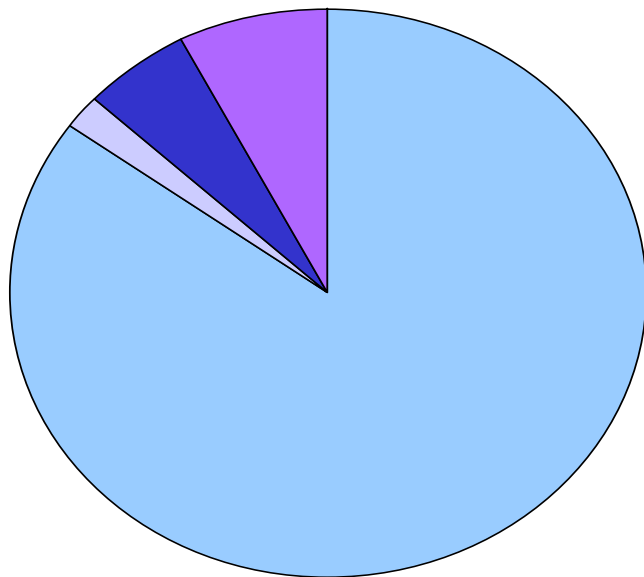
AFI Funding Mix



Strengthening Families... Building Communities

Uses of AFI Project Reserve Account Funds

Additional \$ and In-Kind Resources



■ Savings Match ■ Data Collection

■ Econ Education ■ Other Admin

- 85% or more to match participant savings
- At least 2% for data collection
- Up to 5.5% for financial education
- Up to 7.5% for other

Budgeting for the Match

To Calculate the Maximum Potential Participant Match Liability

$$\begin{array}{r} \text{Number of Accounts Opened} \\ \times \text{ Match Ceiling} \\ \hline = \text{TOTAL AMOUNT OF MATCH NEEDED} \\ \text{(& Your IDA Match Fundraising Target)} \end{array}$$

Budgeting for the Match

Newtown Community Action Agency Example

- 75 accounts
- \$3,000 max. match per account

$\$3,000 \times 75 \text{ accounts}$
 $= \underline{\$225,000}$ in matching funds

Resource Allocation of the AFI Grant

To Calculate the Ratio of Funds for Match and Operation

Amount of IDA Match Funds for Project = Total IDA Match and 15% for Operating Costs

.85

Then **SUBTRACT** the IDA Match Amount from the **TOTAL** to get the amount of the 15%

Budgeting for AFI's 85/15

Newtown Community Action Agency Example, Continued

- \$225,000 in IDA participant match funds as goal
- This comprises the 85% of the federal & nonfederal resources in the Project Reserve Fund.

$$\begin{aligned} \$225,000 / 0.85 &= \underline{\$264,706} \text{ (Total Fed/nonfed)} \\ \$264,706 - \$225,000 &= \underline{\$39,706} \text{ (15\% of AFI budget)} \end{aligned}$$

Overview of Costs

- Match
- Financial Education
- Program Management
 - Managing Partnerships
 - Data Collection and Management
 - Resource Development
 - Financial Management
- Case Management
- Marketing and Recruitment
- Asset Related Training and Counseling
- Other Services
- Evaluation

Federal Funding Sources (2006)

	Operating		Match
AFIA	31%		45%
DOL (Department of Labor)	2.9%		3%
HUD HOPE VI	1%		1.6%
HUD HOME	1.3%		2.5%
HUD CSBG (Community Service Block Grant)	18%		6.7%
HUD FSS (Family Self-Sufficiency)	2.6%		1.3%
ORR (Office of Refugee Resettlement)	11%		11%
FHLB (Federal Home Loan Bank)	1%		8.4%
Bank Enterprise Award	1.6%		0.5%
Other	15.8%		15.8%

State and Local Funding Sources (2006)

	Operating	Match
TANF (Temporary Assistance for Needy Families)	15.2%	20.3%
State Tax Credits	3.8%	5.1%
State Discretionary Spending	5.5%	6.4%
Local Discretionary Spending	3.5%	3.5%
CDBG (Community Development Block Grant)	8.4%	10%
Other	8%	8.7%

Philanthropic Funding Sources

	Operating	Match
National Foundations (i.e. Ford, Mott)	10%	9.3%
Local or Regional Foundations	16.5%	16.5%
Community Foundations	11%	8.7%
United Way	13.9%	10.6%
Individuals	9%	9%
Faith-Community	5.2%	3.2%

Financial Institution Sources (2006)

	Operating	Match
Credit Unions	2.5%	2.9%
Local Bank	14.8%	15.5%
Regional or National Bank	19.4%	18.7%
CDFIs (Community Development Financial Institutions)	9.7%	2.9%
Investment Firms	1%	1%
Insurance Companies	0%	1%
Other	1%	1%

Corporate Funding Sources

	Operating	Match
Local Business/Corporation	5.8%	3.5%
Regional or National Business/Corporation	2.2%	1.3%
Other	1%	1.6%

Education Funding Sources (2006)

	Operating		Match
College or University	1.9%		1.6%
Community College	1%		1%
Vocational/Technical School	1%		0.5%
Public School District (Elementary/Secondary)	0%		0%
Private School (Elementary/Secondary)	0%		0.5%
Other	1.3%		1%

Peer Funding Ideas

- Brokerage Firms
- American Express
- Corporate Marketing Departments
- ICMA-RC WHAT IS THIS?
- Veterans Administration
- Real Estate Trust Accounts
- Franchise Agreements
- High Schools/School Districts
- Ed-Vest

**Many slides to add to track
workbook/facilitator notes**

AFI Resource Center

For more information on this or other AFI Training Curriculum modules, contact the AFI Resource Center at the Office of Community Services.

Phone: (202) 401-4626

Email: AFIProgram@acf.hhs.gov

Web: <http://www.acf.hhs.gov/assetbuilding>