

Individual Development Accounts in Arizona

A Case Statement



produced by

Assets for Arizona Alliance

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Executive Summary

This case statement is designed to advance a cause and to educate readers about the current benefits and future promise of Individual Development Accounts (IDAs) in Arizona. IDAs are matched savings accounts that help working poor families fund a first home purchase, micro-business start up or post-secondary education.

IDAs embody the belief that asset accumulation is the key to helping the working poor reach economic self-sufficiency. Asset ownership not only provides economic and financial benefits, but also positively shapes the attitudes and efforts of the poor in ways previous anti-poverty approaches did not. The IDA methodology of working, saving, and learning appeals to society's sense of helping those willing to help themselves. IDAs represent a significant departure from oft-maligned welfare programs of the past.

Since their inception less than five years ago, IDAs have taken off in Arizona. Yet much work remains to reach all the Arizonans who could benefit from IDAs. To that end, the Assets for Arizona Alliance has formed to expand and optimize IDAs in Arizona. The Alliance aims to open 10,000 IDAs in Arizona over the next five years.

The following data illustrate both the power and the potential of IDAs:

- Since 2000, almost 200 Arizona families have improved their economic situation and the broader Arizona economy by working, saving, and purchasing a key family asset through Individual Development Accounts
- These families have saved \$400,000 in IDAs leveraging \$570,000 in savings matches, \$4.8 million in 56 home mortgages, \$680,000 in the value of purchased vehicles, \$7,000 in tuition and \$1,200 in micro-business start-up investments
- 330 additional working poor families and youth are currently saving in matched savings accounts to buy homes, purchase automobiles, start businesses, and finance post-secondary education
- Arizona's nine IDA programs include an employer-based and funded IDA program and a youth IDA initiative on the Navajo Nation. A diverse group of individuals and organizations in all parts of the state are seeking to start IDA programs
- The Assets for Arizona Alliance and the Assets for Arizona Institute are building the infrastructure to grow IDA programs statewide, pilot alternative delivery systems through workplaces and make Arizona a national model for asset accumulation strategies and policies in the fight against poverty

Overview of Individual Development Accounts

*“Lack of income means you don’t get by;
lack of assets means you don’t get ahead.”*

Ray Boshara, The New America Foundation,
op-ed piece appearing in the New York Times,
(September 29, 2002)

What are Individual Development Accounts (IDAs)?

Individual Development Accounts, or IDAs, are dedicated savings accounts, targeted specifically to working poor families. IDAs provide an incentive to work, save, and build assets as a means to reach economic self-sufficiency. These accounts—actual savings accounts—are held at financial institutions in the name of the individual participant. Participants make regular deposits from their earned income and those deposits are matched from both private and public sources. The match is typically managed by a community-based nonprofit organization. Financial education and asset-specific training such as homebuyer or small business preparation are provided. Match funds are released only after the predetermined savings goal has been met and the participant is ready to invest the funds as stipulated.

Purposes of IDAs

IDAs are most commonly used to purchase a first home, capitalize a small business or fund post-secondary education. Non-traditional uses include auto purchase, home repairs, and youth IDAs. Participant deposits range from \$20-\$50 per month, up to about \$2,000 in savings. IDA participants may use their Earned Income Tax Credit (EITC) refunds from the federal government to seed their IDA savings accounts. The match ranges from 1:1 to 4:1, depending on the source of match funds and the asset to be purchased.

IDA Philosophy & Background

Dr. Michael Sherraden of Washington University in St. Louis is the intellectual pioneer of the IDA movement.¹ In the late 1980s he concluded that asset development was the missing link in anti-poverty programs. Poverty had traditionally been viewed primarily as an income problem. And, while the income support provided by anti-poverty programs served as a safety net, such programs largely did not help the poor achieve self-sufficiency.

What could assets do that income support could not? Assets can be a cushion during a family emergency like a sudden illness or job loss, or they can help pay for college or buy a car to commute to a higher paying job.

And the benefits of assets transcend the ownership of the asset itself. Asset ownership positively shapes attitudes and behavior as Dr. Sherraden describes, “When people accumulate something it has more than economic benefits. People saving for their future tend to take better care of what they have. They put more effort into maintaining their homes and neighborhoods, and they participate more in the community. They think more about their children’s future. They are more politically active. People with a stake in society will act like citizens.”²

Even before asset acquisition, the path towards asset ownership, through participation in an IDA program, is designed to impact thinking and action of participants. Anti-poverty policy now favors such approaches that require something from people in exchange for receiving benefits. The IDA program structure of working, saving, and learning elegantly captures this idea.

¹ Sherraden, Michael; *About CSD*, Center for Social Development, September 2001 (http://www.gwbweb.wustl.edu/csd/About_CSD/index.htm)

² Ray Boshara, Edward Scanlon, & Deborah Page-Adams, *Building Assets for Stronger Families, Better Neighborhoods, and Realizing the American Dream*, Corporation for Enterprise Development, 1998

Asset and wealth building policies, such as 401(k)s, IRAs, educational savings accounts and the home mortgage interest deduction, have long existed primarily for middle- and upper-income Americans. The poor have been shut out because they lack access to the appropriate information and institutions and because these programs often provide their benefits through the tax code. Additionally, welfare programs have penalized asset accumulation by the poor. This policy double standard has contributed to the large and growing wealth inequality in the United States.³

“Wealth is a special form of money not used to purchase milk and shoes and other life necessities. More often it is used to create opportunities, secure a desired stature and standard of living, or pass class status along to one’s children. In this sense the command over resources that wealth entails is more encompassing than is income or education, and closer in meaning and theoretical significance to our traditional notions of economic well-being and access to life chances.”

Dr. Melvin Oliver and Dr. Thomas M. Shapiro,
scholars and authors ⁴

Slowly, policymakers and politicians have come to acknowledge and start to reverse the policy double standard. Welfare reform legislation allows states to use Temporary Assistance for Needy Families (TANF) funds to establish IDA programs. In 1998, the Assets for Independence Act (AFIA) allocated \$125 million in match and operational funds over five years to state and local IDA programs. With strong bipartisan support, the Savings for Working Families Act is pending in Congress (in the Charity, Aid, Recovery and Empowerment Act). It would allocate \$450 million in tax credits to financial institutions and corporations that provide match funds with the potential to fund up to 300,000 IDA accounts nationally.

Do IDAs Work?

In the 15 years since Dr. Sherraden’s initial scholarship, IDAs have proliferated across America. Several hundred programs exist and 20,000 Americans are saving in IDAs. The American Dream Demonstration, the first systematic study of IDA programs, reveals that the poor can indeed work, save, learn, and invest in assets.⁵

IDAs and the asset development paradigm have also impacted the attitudes and agendas of leading nonprofits, financial institutions, foundations, think tanks, and universities, along with politicians and policymakers, and have emerged both philosophically and empirically as an innovative and promising anti-poverty tool.

“Asset development combines the liberal objective of poverty reduction with the conservative dream of individual wealth building to achieve the shared goal of economic opportunity.”

Dr. J. Larry Brown and Dr. Larry W. Beeferman,
Center on Hunger and Poverty, Brandeis University
 (“From New Deal to New Opportunity,”
Feb 12, 2001, The American Prospect)

Why IDAs in Arizona?

Asset Poverty

In 2002, the Center for Enterprise Development published a report card ranking all 50 states on asset development policies and outcomes as a benchmark in fighting poverty.⁶ Arizona earned a grade of “B” and ranked 19th in the Assets Policy Index, reflecting state support for several key policies to build and protect assets. But Arizona earned a grade of “F” and ranked 49th in the Assets Outcome Index, reflecting poor results in indicators of financial, homeownership, small business, and human capital.

³ In 1999, the top 10% of American households owned 70% of the wealth up from 50% just a generation earlier according to Dr. Edward Wolff as cited in *Economic Apartheid in America* by Chuck Collins and Felice Yeskel (New York: The New Press, 2000)

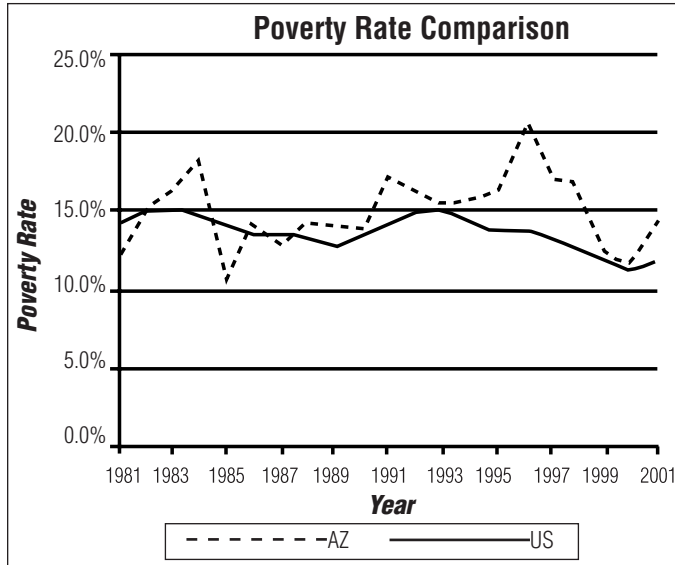
⁴ Melvin L. Oliver and Thomas M. Shapiro; *Black Wealth/White Wealth: A New Perspective on Racial Inequality*. (New York: Routledge, 1995)

⁵ Mark Schreiner and Michael Sherraden, *Saving and Asset Accumulation in Individual Development Accounts* (research report, St. Louis: Center for Social Development, Washington University, 2001)

⁶ Corporation for Enterprise Development, *State Asset Development Report Card*, 2002; (<http://sadc.cfed.org/SADRC-CFED.php>)

Because IDAs are an innovative anti-poverty tool, an understanding of the breadth and the depth of poverty in Arizona establishes the context for expanding IDAs across the state. The following graphs illustrate the degree of poverty in Arizona and the correlation between poverty and other social conditions such as generational poverty, limited educational attainment, and inadequate income potential.

FIGURE 1



Source: U.S. Census Bureau

Key Statistics on Poverty in Arizona

General Poverty

- Figure 1 compares the rate of poverty in Arizona against the nation. The three-year average (1999-2001) poverty rate for Arizona was 12.9% ranking 38th among the states.
- Within Arizona, incidence of poverty varies across the state. To understand how many Arizonans are really in economic need it makes sense to note how many Arizonans live below and just above the poverty line (see figure 2).

Child and Family Poverty – The Annie E. Casey 2003 Kids Count⁷ study ranked Arizona 45th in a composite index of 12 child and family poverty measures (Arizona dropped two places between 2002 and 2003). Figure 3 reveals the results for four of the measures.

Income Inequality – Disparity between the “haves” and the “have-nots” in Arizona is getting worse. According to a recent report from the Center on Budget Policies and Priorities,⁸ Arizona ranked 9th worst among states in magnitude of its gap between high- and low-income residents, with the richest 20 percent of families having average incomes ten times higher than the poorest 20 percent. In the late 1970s, the gap in Arizona was just over seven times higher.

FIGURE 2

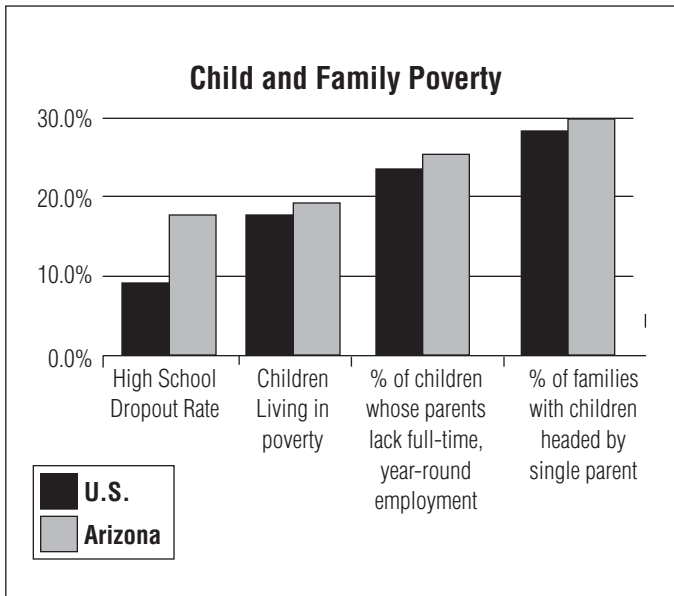
County	Below 100% Poverty Line		Below 150% Poverty Line		Below 200% Poverty Line	
	Number	Percentage	Number	Percentage	Number	Percentage
Apache	25,798	37.8%	37,129	54.4%	44,427	65.1%
Cochise	19,772	17.7%	32,497	29.0%	45,624	40.8%
Coconino	20,609	18.2%	33,219	29.4%	44,307	39.2%
Gila	8,752	17.4%	15,508	30.9%	21,640	43.1%
Graham	6,952	23.0%	11,520	38.1%	15,307	50.6%
Greenlee	842	9.9%	1,579	18.6%	2,507	30.3%
La Paz	3,798	19.6%	6,808	35.1%	9,391	48.4%
Maricopa	355,668	11.7%	615,279	20.3%	884,119	29.2%
Mohave	21,252	13.9%	39,734	26.0%	59,245	38.7%
Navajo	28,054	29.5%	41,418	43.6%	52,596	55.3%
Pima	120,778	14.7%	203,574	24.7%	289,009	35.1%
Pinal	27,816	16.9%	45,590	27.7%	64,735	39.4%
Santa Cruz	9,356	24.5%	15,668	41.0%	20,752	54.3%
Yavapai	19,552	11.9%	37,124	22.7%	55,722	34.0%
Yuma	29,670	19.2%	52,784	34.2%	71,432	46.3%
Arizona	698,669	13.9%	1,189,431	23.7%	1,680,876	33.5%
Total Population for which Poverty Status Determined: 5,021,238						

Source: 2000 Census

7 Report available at www.aecf.org/kidscount/databook

8 *Pulling Apart: A State-by-State Analysis of Income Trends*, The Center on Budget and Policy Priorities and The Economic Policy Institute: 2000

FIGURE 3



Source: Annie E. Casey Foundation

FIGURE 4

	Affordability Gap (Households)	Total Households	Gap as % of Households
Apache	57	5,075	1.1%
Cochise	1,945	43,893	4.4%
Coconino	5,232	34,294	15.3%
Gila	2,421	18,524	13.1%
Graham	248	9,127	2.7%
Greenlee	-	3,117	0.0%
La Paz	835	5,937	14.1%
Maricopa	108,547	1,130,029	9.6%
Mohave	3,840	62,151	6.2%
Navajo	1,614	18,897	8.5%
Pima	25,142	328,980	7.6%
Pinal	1,870	58,895	3.2%
Santa Cruz	2,070	11,809	17.5%
Yavapai	11,950	69,923	17.1%
Yuma	5,336	53,428	10.0%
Arizona	171,107	1,854,079	9.2%

Source: 2002 State of Arizona Affordable Housing Profile

Benefits of Asset Accumulation Strategies to Arizona and Working Poor Arizonans

IDAs help address several of the factors contributing to poverty and economic under performance in Arizona. When an IDA empowers an Arizona family, the benefits extend beyond that family to the broader community and the broader economy.

Homeownership – Homeownership is the centerpiece of the American Dream and is a part of the notion of economic achievement and well-being. Research indicates that homeownership is associated with higher property values, neighborhood stability, increased property investment, greater social and community involvement, greater educational attainment, and lower risk of inter-generational poverty transmission.⁹

The 2002 Arizona Affordable Housing Profile,¹⁰ produced by the State of Arizona Department of Housing, provides a detailed picture of the housing affordability gap across the state as shown in Figure 4.

IDAs can help close the housing affordability gap in Arizona on the demand side. Home purchase assistance for the working poor often takes the form of lower cost mortgages and other debt. IDAs can provide a boost in the form of extra equity, enabling working poor families to qualify for mortgages they otherwise could not get and providing a financial cushion against emergencies which could imperil mortgage repayment.

“ . . . Arizona’s homegrown talent pool is not deep or broad enough for new economy success.”

“Arizona Policy Choices 2001: Five Shoes Waiting to Drop on Arizona’s Future,” Morrison Institute for Public Policy at ASU

Education – The Five Shoes report reflects concern that the state lacks the well-educated, well-trained “knowledge” workers to attract and retain a diverse range of

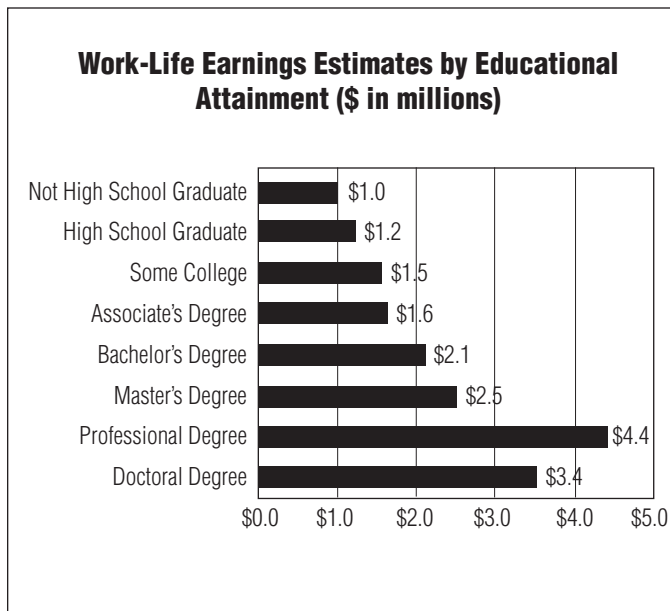
⁹ Ray Boshara, Edward Scanlon, & Deborah Page-Adams, *Building Assets for Stronger Families, Better Neighborhoods, and Realizing the American Dream*, Corporation for Enterprise Development, 1998

¹⁰ *Arizona Affordable Housing Profile: Findings and Conclusions 2002*. Arizona Housing Commission. Pgs. 14, 50

high-tech, high-wage employers. IDAs for higher education and training are a way to encourage additional worker development and help ensure that Arizona's workforce becomes more competitive.

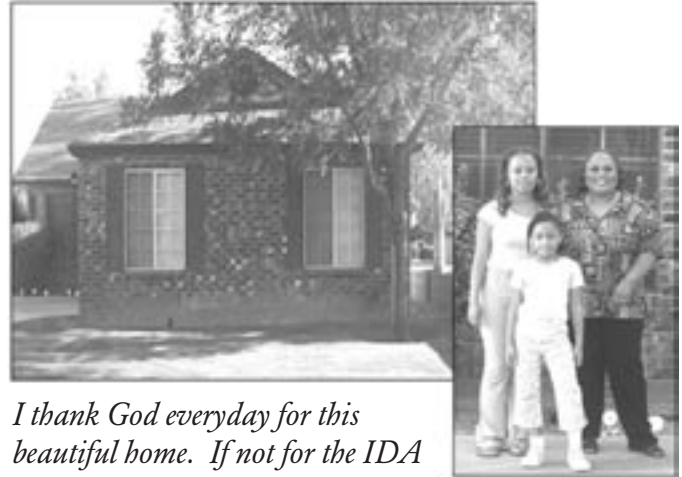
The rewards of higher education are just as significant to the individual. Figure 5 reveals the dramatic earnings advantage conferred on those with advanced education. As the economy continues to become more globalized and hi-tech the divide will likely widen.

FIGURE 5



Source: U.S. Census Bureau

Small Business – Small business is a fundamental engine for wealth creation and crucial to job growth, innovation, and productivity. American small businesses represent about 99 percent of all employers, employ around 50 percent of all private sector employees and create more than 50 percent of non-farm private gross domestic product.¹¹ According to the CFED report card, Arizona ranked 46th in the average dollar amount



I thank God everyday for this beautiful home. If not for the IDA Program, I would still be saving for my down payment, living in a tiny apartment and making someone else wealthier. We are so proud to have a new home. Thank you NEDCO for having an IDA Program in Mesa, Arizona.

Sincerely, Fay Reid and daughters

of loans made to small business and 35th in percentage of the labor force that owns businesses. IDAs offer one way to help Arizonans build the equity capital needed to start micro-enterprises.

Automobiles and Other Non-traditional Uses

Across Arizona working poor families encounter limited public transportation options. A vehicle, although not a life-long asset, can make the difference in finding and maintaining higher wage employment.¹² IDAs provide a way for families to save toward the purchase of an automobile or for the expenses of owning, insuring and maintaining it.

Saving for home repairs and other uses such as education for one's children or grandchildren, retirement accounts and personal computers may all be important in the fight against poverty. Youth IDAs can instill the savings habit in early years.

11 *Research Publications 2002*, Office of Economic Research: Jan 2003 (http://www.sba.gov/advo/stats/res_pub.pdf)

12 Margy Waller and Evelyn Blumberg, *The Long Journey to Work: A Federal Transportation Policy for Working Families*, The Brookings Institution: August 2003

13 *The State of the Nation's Housing: 2003*, Joint Center for Housing Studies of Harvard University

Economic Impact of IDAs

IDAs can have an economic impact across diverse sectors.

Research indicates that home equity gains influence the broader economy more than, for example, stock market gains. According to recent estimates, households spend \$0.15 for every \$1.00 in home equity growth but only \$0.03 to \$0.05 for every \$1.00 in stock market gains.¹³

Education IDAs, collectively, can provide a market boost to the state’s colleges, universities and vocational schools through tuition payments and purchase of ancillary goods and services.

Small business IDAs also can have a positive impact on the local economy through increases in business-related investments in property, equipment, and inventory.

IDAs are important to financial institutions seeking new market penetration and they complement the current high profile drive to increase savings in general– the Arizona Saves initiative.¹⁴ IDA participants are often “unbanked”, using predatory outlets such as check cashing and payday loan stores.¹⁵ Through IDAs, these individuals escape that world and enter the financial mainstream. IDAs represent not only modest savings account business for banks but also future demand for other financial products such as mortgages, home equity loans, small business loans and other types of credit.

The Arizona Experience

Where are Arizona’s IDA Programs?

There are nine active IDA programs in Arizona which collectively have produced impressive outcomes in a short period of time (Table 1). Existing programs are:

- City of Avondale/Neighborhood Housing Services of Southwestern Maricopa County
- The Centers for Habilitation (TCH)
- Indigenous Community Enterprises
- International Rescue Committee (IRC)

- Mesa Community Action Network, Inc. (MesaCAN)
- Neighborhood Economic Development Corporation (NEDCO)
- NewTowN CDC
- Southern Arizona Community Land Trust (SACLT)
- City of Tucson

Table 2 provides detailed information on these programs. In addition to active programs, a diverse group of organizations is starting, have committed to or have expressed interest in establishing IDA programs.

TABLE 1

Summary of Outcomes (1999 – July 2003)

330 active accounts

- 218 homeownership
- 80 vehicles (only at International Rescue Committee)
- 14 education
- 11 Youth (only at Indigenous Community Enterprises)
- 7 small business

\$330,000 in savings

\$750,000 in allocated match money

195 asset purchases

- 56 home purchases (\$142,000 saved, \$310,000 matched, \$4,800,000 value of homes)
- 127 vehicles (\$255,000 saved, \$255,000 matched, \$680,000 value of vehicles)
- 8 education IDAs (\$3,500 saved, \$3,500 matched, \$7,000 value of tuition)
- 4 small business investments (\$600 saved, \$600 matched, \$1,200 value)

Program Administration and Costs

Nonprofit organizations administer IDA programs as one element of their broader mission. Each program determines its own goals for IDAs, using common guidelines that meet match fund sources’ requirements.

Providing IDAs involves at a minimum, staffing to track accounts, market the program, organize or deliver financial education, and ensure compliance with funding guidelines. The average administrative cost per account

¹⁴ <http://www.americasaves.org/>

¹⁵ *Banking the Poor*. Michael Barr, The Brookings Institution. July 2003

is \$1,500 to \$2,000 over the account lifetime (6 months to 2.5 years). Because many administrative overhead costs are fixed, the average cost per account declines as more accounts are opened. From the experience of other states, as some administrative tasks become more centralized in Arizona, per account costs should decline.

Match Funds in Arizona

Private and public sources fund IDA matches in Arizona. A major source of 3:1 private match funds-the Federal Home Loan Bank of San Francisco-provides match only for homeownership through its member banks. Private funds from foundations, corporations (direct and through United Ways), individuals through United Way contributions, faith-based organizations, employers, and program operator agencies (from special fund-raising or their own fund balances) may be used for other asset purchases. Federal Community Development Block Grant (CDBG) funds may be used for IDA matches. The federal Assets for Independence Act (AFIA) doubles locally raised match funds allowing for homeownership, education and small business IDAs. MesaCAN (with NewTown CDC, TCH, Inc. and City of Avondale/NHS of Southwestern Maricopa County) and City of Tucson have been granted several hundred thousand dollars in match funds through the AFIA initiative. Table 2 provides details on current sources of match funds by program.

**Plan for the Future:
Expanding IDAs in Arizona**

The majority of IDA programs and accounts are based in the greater Phoenix and Tucson metropolitan areas yet the demand for IDAs exists throughout the state. The Assets for Arizona Alliance sees the potential to achieve 10,000 new accounts in five years and is pursuing a multi-faceted strategy to achieve this goal.

Assets for Arizona Alliance

The Assets for Arizona Alliance is an informal membership coalition of representatives from established IDA programs, financial institutions, bank regulatory agencies, foundations, faith-based organizations, community coalitions, cities and towns, the State of Arizona Department of Housing, and other organizations interested in expanding IDAs across the state of Arizona. The Alliance meets monthly at a Maricopa County location and

is open to all who are interested. The Alliance focuses on both urban and rural areas in order to advance IDAs in Arizona in culturally competent and regionally sensitive ways. The Alliance will advise on strategic plans and outcomes and on distribution of match funds, once those structures are established with funders. MesaCAN provides administrative support for the Alliance.

10,000 IDAs in Five Years

Assets for Arizona Alliance has set a five-year goal of 10,000 IDAs throughout the state. This is a conservative goal, as the potential is greater. Figure 6 shows, by county, the number of working families in rental households earning between \$15,000 and \$35,000. Even assuming a modest five percent target, the potential number of working families that would meet income eligibility to participate in an IDA program exceeds 10,000.

About 70 percent of the targeted number, based on experience, would choose to save for home purchase. 7,000 households saving \$2,000 each puts \$14 million into banks. Once matches are earned, these savings would create demand for over \$450 million in home mortgages in all corners of the state. The remaining 3,000 accounts would likely be used for education, cars and business.

FIGURE 6

	Total Rental Households Earning Between \$15,000-\$35,000	@5.0%
Apache	1,127	56
Cochise	4,344	217
Coconino	5,477	274
Gila	1,382	69
Graham	865	43
Greenlee	272	14
La Paz	540	27
Maricopa	128,284	6,414
Mohave	6,156	308
Navajo	2,131	107
Pima	44,461	2,223
Pinal	4,260	213
Santa Cruz	1,314	66
Yavapai	6,954	348
Yuma	5,124	256
Arizona	212,687	10,634

Source: 2000 Census

Match Funding Plan

Match funding, the immediate financial incentive to save, is the most critical element contributing to the availability and ultimate success of IDAs. Eventually, matches may be delivered to working poor families directly through the tax code, perhaps tied to the critically important Earned Income Tax Credit. However, in the near term, while Arizona waits for new IDA funding mechanisms such as federal tax credits to be enacted, we must identify match funds to support initiation of new programs and new accounts.

\$4 million to \$5 million is the annual match fund target to achieve 10,000 accounts over the next five years. These annual targets are reasonable based on experience in other states. IDA match funds raised and disbursed to date in Arizona's IDA programs total over \$750,000 with \$1 million in matches committed or available for current savers. For example, over \$0.5 million is committed for six IDA programs participating in the MesaCAN 2003 AFIA application. This grant will provide another \$0.5 million in federal IDA matches for programs at MesaCAN, NewTown CDC, Catholic Social Services of Southern Arizona, Community Services of Arizona, Indigenous Community Enterprises in Flagstaff and the City of Avondale.

Other initiatives to expand Arizona's matching funds are underway. The Arizona Community Foundation is establishing a field of interest fund to accept contributions from individual and corporate donors. Through the support and outreach efforts of many corporations, faith-based organizations, foundations, United Ways, community coalitions, employers, public sector entities and others excited about IDAs, match funds will flow from a myriad of public and private sources.

Assets for Arizona Institute

The Assets for Arizona Institute is a department of MesaCAN. The Institute and its nonprofit partners, NewTown CDC and Neighborhood Economic Development Corporation provide data management for several IDA programs, technical expertise on establishing new programs, evaluation of IDA programs, and expertise on federal match funds applications. Also under the aegis of the Institute, work continues on new IDA delivery mechanisms. Going forward in time, the Institute will study other asset development programs to advance the field and inform the anti-poverty discussion in Arizona.

Employers: IDAs in the Workplace

As successful as nonprofits are at delivering IDAs, we must investigate other ways to reach the thousands of Arizonans who could benefit from IDAs. Employer-based IDA programs are one such promising innovation that is being explored in Arizona. The working poor all have something in common: they work. They do not all frequent social service providers, as some may think.

Research shows that employers would be open to the potential return on investment presented by IDAs. Low-wage employees are known for high turnover rates so IDAs could be a tool to promote worker retention. Efforts are underway to develop this concept; currently The Centers for Habilitation/TCH, Inc., a statewide nonprofit with over 600 employees, has implemented a pilot employer-IDA program that bears careful watching.

Conclusion

IDAs hold great promise for Arizonans. The enthusiasm and efforts of participating organizations have created keen interest across the state. Important funding partners are interested. The IDA movement in Arizona is grassroots and customer-driven. While we derive information from others' experiences, our effort is uniquely tailored to this state's rural and urban needs with a decentralized and non-governmental infrastructure well-poised to realize the vision for IDAs.

Table 2: Current IDA Programs in Arizona (August 2003)

Program	Mission	Geography Served
City of Avondale/ Neighborhood Housing Services (NHS) Southwestern Maricopa County	Program run in conjunction with NHS, a nonprofit organization that promotes affordable homeownership	Avondale
The Centers for Habilitation (TCH) (employer IDA)	Provides services to disabled Arizonans	Statewide
Indigenous Community Enterprises (ICE)	ICE develops culturally compatible housing and employment opportunities through the restoration of traditional use lands	Northern Arizona/Native American Communities
International Rescue Committee (IRC)	The IRC is a nonprofit refugee resettlement agency with offices across the United States. The IRC was established nationally in 1933 with the Phoenix office opening in 1994	Statewide
Mesa Community Action Network (MesaCAN)	Services or facilitates services for economically-disadvantaged individuals and families, and help clients devise strategies for increased self-sufficiency	East Valley
Neighborhood Economic Development Corporation (NEDCO)	NEDCO is a Community Development Financial Institution whose mission is to finance community economic development initiatives and businesses in low/mod neighborhoods in Mesa	Mesa
NewTown CDC	NewTown is a nonprofit organization that works to promote first-time homeownership, and economic and community development in Tempe	Tempe
Southern Arizona Community Land Trust (SACLT)	SACLT acquires and holds land for the long-term affordability of housing and to provide secure affordable access to land and housing for community residents	Southern Arizona
City of Tucson	Department of Housing	Targeted neighborhoods in Tucson

Table 2: Current IDA Programs in Arizona (August 2003)

Type of IDAs (# of accounts)	Savings/Asset Purchase Summary (through July 2003)			Match Fund Sources (*indicate AFIA match)	Financial Institution Partners
Active Accounts Homeownership (3)	Accounts just opened			Federal Home Loan Bank, City of Avondale*	National Bank of Arizona
Active Accounts Homeownership (1)	Savings \$400	Match \$1,200	Asset Value N/A	Fund Balance*	National Bank of Arizona
Asset Purchases none	N/A	N/A	N/A		
Active Accounts Youth (11)	Accounts just opened			First Nations Development Institute	Wells Fargo
Active Accounts Homeownership (55) Automobiles (80)	Savings \$32,000 \$89,000	Match \$63,000 \$89,000	Asset Value N/A	Office of Refugee Resettlement Federal Home Loan Bank	SAFECU Credit Union National Bank of Arizona
Asset Purchases Homeownership (32) Automobiles (127)	Saving \$47,000 \$255,000	Match \$94,000 \$255,000	Asset Value \$2,500,000 \$680,000		
Active Accounts Homeownership (18) Education (7) Small Business (1)	Savings \$11,400 \$ 3,700 \$ 100	Match \$25,400 \$ 3,700 \$ 100	Asset Value N/A	Federal Home Loan Bank, Fund Balance*	National Bank of Arizona Wells Fargo
Asset Purchases Education (2) Small Business (4)	Savings \$500 \$600	Match \$500 \$500	Asset Value \$1,000 \$1,200		
Active Accounts Homeownership (3) Education (6) Small Business (1)	Savings \$4,000 \$4,000 \$1,000	Match \$12,000 \$ 4,000 \$ 1,000	Asset Value N/A	Federal Home Loan Bank, Mesa United Way, Arizona Community Foundation, Mesa Rotary, Boeing	National Bank of Arizona, Wells Fargo
Asset Purchases Homeownership (4) Education (6)	Saving \$7,000 \$3,000	Match \$16,000 \$ 3,000	Asset Value \$450,000 \$ 6,000		
Active Accounts Homeownership (19)	Savings \$19,000	Match \$54,000	Asset Value N/A	Federal Home Loan Bank, Fund Balance*	
Asset Purchases Homeownership (1)	Savings \$3,300	Match \$10,000	Asset Value \$150,000		
Active Accounts Homeownership (96)	Savings \$160,000	Match \$480,000	Asset Value N/A	Federal Home Loan Bank	
Asset Purchases none	Savings \$85,000	Match \$190,000	Asset Value \$1,700,000		
Active Accounts Homeownership (23) Education (1) Small Business (5)	Savings \$6,600 \$ 400 \$1,300	Match \$13,200 \$ 800 \$ 2,600	Asset Value N/A	Tucson United Way	Arizona Federal Credit Union
Asset Purchases none	Savings N/A	Match N/A	Asset Value N/A		



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