



Assets for Independence University

IDAs for Youth: Challenges and Opportunities

Wednesday, November 7, 2007

8:30 a.m. – 10:00 a.m.

Session Agenda

Description

The number of organizations seeking to serve youth and young adults with IDAs and other asset-building tools is growing. This session offers strategies to serve youth most effectively. Topics range from culturally and age appropriate approaches to financial education; what to look for in youth IDA program coordinators; how to create earned income for youth; coordination with existing youth or school-based programs and university recruitment; particulars of staff working with youth in urban and rural settings; discussion about funding sources, allowable uses, custodial accounts, and working with the families of youth in IDA programs; and other unique aspects of youth asset-building initiatives.

Agenda

Welcome: Christy Finsel, Moderator

Opportunities and challenges to implementing youth Individual Development Accounts (IDA) programs

Doris Tseng, Juma Ventures

Working with urban and older youth, appropriate financial education, allowable uses, account structure

Nicole Fiddler, Four Bands

Paid internships, characteristics of youth IDA program manager, working with rural youth, asset building in a Native American environment

Rashid Mosley, United Way of Metropolitan Atlanta

Linking with in-school organizations, college admissions pipeline, foster care system, financial education, private funding streams

Christy Finsel and Melissa Brickey, DeLaSalle Middle School IDA Program

Establishing trust, custodial accounts, working with younger youth and families

Questions and Answers: Christy Finsel, Moderator

Concluding Remarks

Presenter Bios

Christy Finsel, IDA Administrator *De LaSalle Middle School*

Christy Finsel is an enrolled member of the Osage Nation. She is an independent consultant who currently provides technical assistance for tribes implementing IDA programs, through the Native IDA Initiative, as well as for tribes focusing on financial education curriculum through the Native Financial Skills Initiative. Previously, she coordinated the service learning program at Saint Louis University and taught middle and high school theology courses. For the past four years, she has administered a youth IDA for middle school students at a school in St. Louis City. She holds a master's in Theology from Saint Louis University and a Master of Social Work from Washington University.

Nicole Fiddler, Program Coordinator *Four Bands Community Fund*

Nicole Seaton Fiddler is the program coordinator at Four Bands. She has been coming to the Cheyenne River Reservation since 1999—drawn by an opportunity to work with youth as a volunteer for the Cheyenne River Youth Project. She moved to the Reservation in 2004 and joined Four Bands in December 2005. Nicole is married to a member of the Cheyenne River Tribe. She has a master's degree in sociocultural anthropology from Arizona State University and a bachelor's degree in anthropology from the University of Illinois at Chicago. Nicole is the former office manager for Okiciyapi Tipi Habitat for Humanity and currently serves on Okiciyapi Tipi's board. At Four Bands, Nicole supports the coordination of program-related activities of all staff and promotes improved staff productivity and customer service. She does grant management, reporting, and results tracking and plays a principle role in ensuring effective use of a comprehensive database system that documents all customer information, activities, and outcomes.

Rashid Mosley, Youth IDA Program Manager *United Way of Metropolitan Atlanta, Georgia*

Rashid Mosley is the Program Manager for the United Way of Metropolitan Atlanta Youth IDA program. In this capacity, he has served the more than 114 IDA participants who have completed their program while managing associated staff, interns, consultants, and community volunteers. Prior to this position, he was the Chemistry Department's Associate Project Director for the National Institutes of Health Bridges to the the Baccalaureate Degree Grant at Georgia State University. He also previously taught science in schools in Washington, DC, and directed Sylvan Learning Centers in Georgia.

Doris Tseng, Assets Services Associate *Juma Ventures*

Doris provides key administrative, operational, policy and program support to help youth build assets and move towards financial independence as well as self-sufficiency. Her role pertains to individual case management for youth IDA participants, inclusive of the application process, money management issues and consultation around the use of IDA funds. She administers Juma's Management Information Systems for Individual Development Accounts (MIS IDA)

database in account management and evaluation as Juma continues to expand their youth IDA program. Doris provides financial literacy education to Juma youth on topics such as credit management, investment opportunities, and using bank accounts. She is involved with the outreach and implementation of Juma's statewide initiative G.R.O.W. (Gain, Resources, Opportunity and Wealth) as well as advocacy for the California Kids Account initiative.

Doris received her Bachelor's in Child and Adolescent Development: Research and Public Policy from San Francisco State University. Her community involvement concerning the youth population encompasses policy research for San Francisco's Youth Law Center and mentoring female detained youth at San Francisco's Juvenile Hall through the Girls Justice Initiative.

Session Handouts

The following materials are provided for use during this session:

- Four Bands Community Fund, Inc. presentation slides
- De La Salle Middle School Youth IDA Program presentation slides
- Juma Ventures presentation slides



FOUR BANDS
COMMUNITY FUND, INC.

AFI All Grantee National Conference
November 7th, 2007
St. Louis, MO
Youth IDA Program



FOUR BANDS
Icayha Wocun

- Our mission is to assist entrepreneurs of the Cheyenne River Indian Reservation with training, business incubation, and access to capital, encouraging economic development and enhancing the quality of life for all communities and residents of the Reservation.
- One of the ways we fulfill our mission is by providing a youth internship and IDA program.



CHEYENNE RIVER SIOUX TRIBE

Minicoujou 1851 Itazipco
Sitasapa 1868 Oohenumpa

- The Reservation encompasses an area approximately the size of Connecticut.
- We have 4 towns and 14 small, dispersed communities.
- Population: 9,600 (6,000 Native Americans)
- Includes Dewey and Ziebach counties, two of the poorest counties in the nation.
- About 45% of the Reservation population is under the age of 18.

*Wicoicage Sakowin kin un
Wicakagapi: Building for the
Seventh Generation*

- Four Bands recruits youth to become interns and IDA savers through our Reservation schools.
- During the summer of 2007, we piloted our internship program with eight interns.



Four Bands' 3 year plan

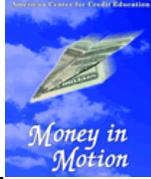
- Over the course of the next three years, 60 youth will enter into agreements with local businesses to complete clearly defined scopes of work.
- Youth earn \$10/hr for 100 hours of work, for a total earnings of \$1,000.
- An additional 14 youth will participate in the IDA program using their own match money.

- Youth can pocket half their earnings but must place the other half in an IDA savers program to be matched 1:1 by Four Bands.
- Asset goals include further education, business start up, or home ownership.



Personal Finance Training

- All interns complete Money in Motion training. We will add the Check Wise curriculum to our next group.
- This training includes pre and post tests. Our interns showed remarkable improvement in their post-tests, with scores 19 – 53% higher than the pre-test. Half of the interns scored 90% or better on their post-test.



Challenges and Lessons Learned

- The Cheyenne River Reservation is extremely rural and isolated.
- At this time, we have limited our internships to students that can walk or drive to their internship site.
- We have also learned to work with students to find a site that matches their interests. Providing a variety of sponsor sites has proved important.
- Some interns in the pilot project used their pocket cash to save for other goals, like a son's birthday party or a church sponsored trip to New York.

Funding Streams

- AFI – We are in the third year of our Assets for Independence grant.
- HUD/RHED has been an additional source of federal funding for us.
- Non-federal sources include the South Dakota Community Foundation and the Citigroup Foundation.
- The Northwest Area Foundation has partnered with the Cheyenne River Indian Reservation to provide funding for intern stipends and match.

Hiring a Youth Specialist

- Recruits and maintains relationships with partner businesses to provide internship sites for students.
- Coordinates youth internships and monitors the performance of interns.
- Collects regular evaluations and testimonials from the interns and partner businesses.
- Assists the organization in building partnerships both on and off the Reservation to expand the overall impact and capacity of the organization.

**De La Salle Middle School
Youth IDA Program**

St. Louis, Missouri



De La Salle Middle School

- ▶ Catholic school-year round, extended day program, since 2001
- ▶ Student demographics/realities
 - 6th-8th grade-50 students
 - Eligible for free and reduced lunch
 - Urban setting-Ville neighborhood
 - Serves African American youth
 - Many students attending parochial schools after graduation-tuition sticker shock
 - Not ample employment options in area



**De La Salle
IDA Program Specifics**

- ▶ IDA program beginning its 5th school year
- ▶ Funding from private donors (R2K Incorporated)
- ▶ Serves 8th grade students-6 to 7 month program each year
- ▶ Depending on class size, work with up to 18 students a year



Several Program Design Components

- ▶ Allowable uses
- ▶ Maximum and minimum monthly deposit
- ▶ Financial education curriculum—talk about redlining and housing stock in area
- ▶ Employment opportunities—mowing grass, office work, public art project

IDA s Serve Youth and Their Families

- ▶ Parent meetings/parent buy-in (sign forms)/word spreads!
- ▶ Introduce idea of IDA programs to parents/guardians
- ▶ Family conversations about saving habits and goals
- ▶ Connect to VITA sites for free tax preparation
- ▶ EITC—make less than \$37,000
- ▶ Adult IDAs
- ▶ College saving plans
 - 529s—federal income tax deferred plan
 - Coverdell ESAs—federally sponsored, tax-advantaged trust or custodial account for primary, secondary, or college costs

Custodial Accounts

- ▶ U.S. Bank largest servicer of IDAs in St. Louis
 - Use their system/forms
- ▶ R2K and youth both are on account—need parent permission
- ▶ Asset purchase—check to vendor and withdraw funds from student account—we never put match \$ in student account
- ▶ Reasons for custodial accounts:
 - Tax liability
 - Financial aid eligibility
 - Not supposed to affect other benefits—AFI legislation, Section 415
 - Protects youth from unwanted withdrawals
 - Organization gets copies of account statements and can do some on-line banking

Staff/Volunteers with Regular Interaction with Youth

- Built rapport–youth trusting \$ to us (deposit record, clear communication about program specifics and rationale for decisions). Mention R2K to parents.
- Program legitimacy (administration, teacher, and staff buy-in) support of program in conversations with parents and students
- Offer reminders to students about deposits
- Check in about financial situations if appropriate
- Employment opportunities
- Available during asset purchase time

AFI Funding

- If have AFI funding, have to spend money by end of 5th year.
- Thus, with AFI funding can't offer IDAs to 12 year olds–can't purchase asset in time given allowable uses.



De La Salle Middle School
at St. Matthew's

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IDAs for Youth: Challenges and Opportunities

Juma Venture's Youth Asset program

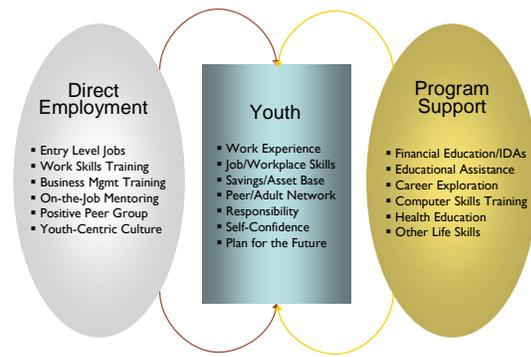


Mission Statement

Juma Ventures empowers youth to make successful transitions to independence in adulthood, through an innovative program that integrates employment in social enterprises and essential support services. Juma's program provides the foundation for youth to transcend challenging circumstances, fulfill their inherent potential, and positively impact their communities.



What Does Juma Do?



Juma Assets: A Leader in the Field



- Operating IDA programs since **1999**.
- IDA Participants to date: **577**
- Current active savers: **360**
- Amount that youth have saved from their own deposits: **\$504,765**
- Funds that youth have spent towards asset purchases to date: **\$621,452***
- 70% of Juma participants use their IDA money towards postsecondary education expenses.

* August 2007

Youth IDAs help young people achieve their dreams

When Gilma was 6, Gilma's grandfather moved the family to San Francisco in search of opportunity. Gilma and her family have lived on very modest means.

At the age of 16, Gilma learned about the IDA program when she began working at Juma Ventures. Since then she has been saving a modest 10-15% from each paycheck and receiving a dollar-for-dollar match that she can use for her educational expenses. She is now one of our top savers.

She is the first in her family to graduate from high school and begin attending college. She is finishing her second year at City College of San Francisco and plans to transfer to San Francisco State University to pursue her dream of becoming a social worker.



Account Info



Account Structure

The participant is named as the accountholder of an escrow account held at Citibank where Juma is the custodian. This is a deposit only account.

Deposits

Deposits may be made in person at a bank branch, by mail, or through direct deposit.

Statements

Juma monitors account activity and sends participants monthly statements showing savings and match.

Withdrawals

To make any withdrawals, participant must contact Juma. Emergency withdrawals are permitted, but will not be matched.

Current Assets Programming:

1) Juma Employed youth

Target market	Services	Financial Education	Financial Partnerships	Funding	Partnerships
Juma-employed youth. Employees are SF and Oakland residents between 15-19 years old	Open fee-free savings/ checking accounts; Individual development Account Program	In-house financial education workshops and individual counseling case management support	Citibank provides access to fee-free accounts; Citibank holds IMMA accounts	Private and AFIA	Work with local high schools and local CBOs for recruitment

What are the allowable assets?

Goal specific savings account to help participants:



Pay for College or Job Training



Start their own Business



Purchase their First Home

Effective Financial Literacy For Youth

- Know your target population
- Draw on youth experiences and life examples
- Create interactive activities
- Develop curriculum that can engage a variety of aptitudes
- Be aware of varied literacy and language capabilities
- Incorporate board work, audio, and verbal activities for different learning styles
- Meet youth where they are – speak their language and have fun

Curriculum sample

Class 1: Creating the Life You Want

- Understanding your attitude towards money
- Identifying obstacles to money management
- Setting goals and making a Plan
- Getting organized

Current Assets Programming:

2) Greater Bay Area youth

Target market	Services	Financial Education	Financial Partnerships	Funding	Partnerships
Bay Area Youth between 15-24.	Provide Individual Development account program	On-line financial education through moneyskill.org	Citibank holds IMMA accounts	Funded through AFIA (pass through funding with SF Earn)	Work with local CBO's and local high schools for referrals

Current Assets Programming:

3) GROW: Gain Resources, Opportunity and Wealth

Target market	Services	Financial Education	Financial Partnerships	Funding	Partnerships
Youth serving agencies in LA, San Diego, Sacramento, East Bay	Provide capacity building support to these agencies to help them run direct services for IDA programs; provide back-end (database and administrative) support for IDA operations; technical assistance	Youth serving agencies will be provided with training to conduct financial education workshops and delivery individualized support to youth	Citibank holds IMMA accounts	Major funding through private funds, e.g., Merrill Lynch's IPO grant; Walter and Elise Haas Foundation; Levi Strauss Foundations	Partners are chosen through a Request for Qualification application process

What does GROW partnership look like?

Starting an IDA program

- Two- day training for dedicated partner staff in IDA delivery and training on financial education curriculum
- Ongoing technical support throughout first year: participant management; recruitment; policy, retention, etc
- Provide outreach materials, application, withdrawal templates, participant manual etc;
- Help develop recruitment guidelines;
- Utilize existing IDA account structure

What Juma has learned

- IDAs are a complementary product
- Short-term permissible uses that help youth build stability and move toward assets have most success
- Flexibility in account structure – emergency withdrawals, small minimum deposits
- Help youth stay focused on their goals
- Go for motivated individuals rather than volume
- A one size fits all approach isn't ideal: be flexible about the support you provide based on the need of the client

Juma Assets staff

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