



Assets for Independence

The Assets for Independence (AFI) program enables low-income people to help themselves become more economically self-sufficient. Across the United States, AFI supports innovative asset building projects that feature matched savings through Individual Development Accounts (IDAs), financial education, and related services that improve the economic status of working individuals and families. AFI is a Federal program administered by the Department of Health and Human Services (HHS), Office of Community Services (OCS).

- Since AFI began in 1999, more than 84,000 individuals have opened IDAs.
- More than 36,000 participants have used their IDA savings and match funds for asset purchases.

Individual Development Accounts (IDAs) are matched savings accounts that enable low-income and low-wealth people to save money for specified goals in defined timeframes. The AFI IDA goals are homeownership, small business ownership, and postsecondary education.

Features of AFI Projects

AFI grants go to a variety of organizations to help them fund IDAs and other asset building strategies. The average grant is \$350,000 and covers 5 years. Grantees customize their AFI projects to meet the needs of the populations and geographic areas they serve.

For each dollar a participant earns and saves, the AFI grantee provides a match of between \$1 and \$8. (About three-quarters of the grantees offer matches of \$2 or \$3 for each dollar earned and saved.) The Federal portion of the match is capped at \$2,000 per participant. The grantee must ensure that the match also includes at least an equal amount of non-Federal funds.

AFI permits savings and match funds to be used for three specific asset goals:

- First-time homeownership

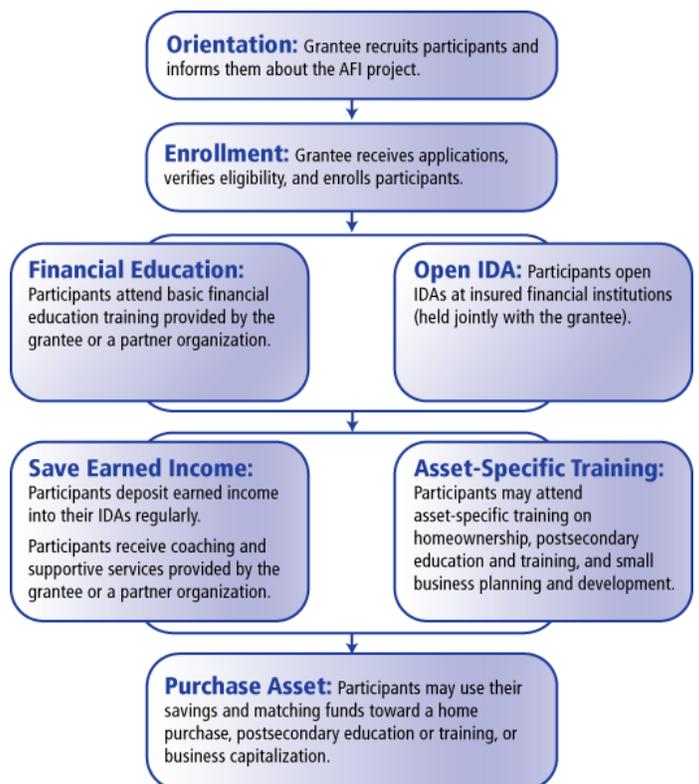
- Business capitalization
- Postsecondary education or training

AFI participants receive financial education. Grantees choose appropriate financial education curricula. Topics usually include budgeting, saving, credit use, investments, and taxes. Grantees also offer training related to participants' intended asset purchases.

Participant Eligibility

To qualify to participate in an AFI project, an individual must:

- Be eligible for Temporary Assistance for Needy Families (TANF) at the time of application, OR
- Have an adjusted gross household income equal to or less than 200 percent of the Federal poverty line or be eligible for the Federal Earned Income Tax Credit, and have household net worth less than \$10,000 (excluding the value of a primary dwelling and one motor vehicle).





Participating Organizations

Many types of organizations administer AFI projects, including:

- Nonprofit entities that are certified under Section 501(c)(3) of the IRS code
- State, local, and tribal government agencies applying jointly with nonprofit organizations
- Community Development Financial Institutions that partner with community-based antipoverty groups
- Low-income credit unions that partner with community-based antipoverty groups
- Consortia of organizations and agencies that target multiple service areas

Non-Federal Funds

Each AFI project must include non-Federal cash funding in an amount at least equal to the AFI grant. Grantees may draw down their Federal grant award in increments, up to an amount equivalent to their non-Federal cash

contributions. Both Federal and non-Federal dollars are held in a bank account owned by the grantee. At least 85 percent of the AFI grant and the required non-Federal cash must be used to match IDA savings; no more than 13 percent may be used for financial education and other activities; and at least 2 percent must be available for data collection for the HHS-supported research on the effects of IDAs and impacts of the AFI program.

For More Information

The AFI Resource Center provides free information, and training and technical assistance to organizations that are interested in learning more about AFI, IDAs, and related services. In particular, it provides information and support on developing applications for AFI grants. To learn more, please visit www.IDAresources.org, or contact the AFI Resource Center at info@IDAresources.org or 1-866-778-6037. [AFI](#)

2014 Funding Opportunity Announcement

The full Funding Opportunity Announcement (FOA) for the AFI program can be accessed by visiting the AFI Resource Center at www.IDAresources.acf.hhs.gov/Apply.

The FOA lists the due dates for applications as:

- FY 2014: 05/07/2014 and 07/14/2014
- FY 2015: 10/25/2014 and 04/20/2015
- FY 2016: 10/19/2015 and 04/18/2016

All entities planning to apply for AFI funding in 2014 are encouraged to download the new Funding Opportunity Announcement and read it thoroughly. It contains changes from previous Funding Opportunity Announcements, such as:

- All applicants must comply with ACF's new Two-File Submission Requirement.
- Additional documentation requirements for non-federal cash commitments.
- Full description of the applicant organization's fiscal control and accountability procedures.

Upcoming webinars hosted by the AFI Resource Center will highlight key aspects of the FOA and the application process. See the complete schedule at www.IDAresources.acf.hhs.gov/Calendar.