



## Lummi Community Development Financial Institution (LCDFI)

### IDA Pilot Program: Savings Plan Agreement Between LCDFI IDA Program & IDA Participant

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The LCDFI IDA Participant understands and agrees that:

1. The LCDFI IDA Program is designed to assist the Participant in achieving greater economic success through training, savings, and matching funds.
2. The LCDFI IDA Participant shall open an IDA savings account at Wells Fargo Bank. This account will be the Participant's Individual Development Account ("IDA").
3. The Participant shall make a monthly deposit into the IDA account from his/her earned income with the minimum deposit allowed being \$10 and no maximum. If no deposit is made for 30 consecutive days, the Participant must consult with LCDFI, at 60 days the Participant must meet with a LCDFI staff person to resolve the situation or amend this agreement, and at 120 days the Participant may no longer be permitted to participate in the program.
4. LCDFI will match, in its own account, the Participant's savings at a rate of \$1 in match for every \$1 saved in their IDA. *\* Match amount may be higher if there are other funds identified.*
5. The Participant is eligible to participate in this program for a minimum of six months and a maximum of two years, allowing for a maximum savings limit of \$1,000 and a maximum match possible of \$1,000.
6. After the first six months from the date of opening an IDA, as well as upon successful completion of the program, and after consultation with LCDFI, a Participant in good standing may withdraw his/her savings and use matching contributions plus any income earned thereon for one of the following Qualified Expenses:
  - **Home** – ie repairs, downpayment, etc.
  - **Small Business** – start-up, expansion, money down for a business loan, etc.
  - **Education** – tuition, books, travel, etc.
  - **Financial Fitness** – get fit while saving money \* under a physicians health plan and working with Lummi Fitness Center
  - **Rebuilding Credit** – establishing new credit, repairing debt, etc. LCDFI shall have full discretion to decide what constitutes *Qualified Expenses* and how the savings, matching contributions, and income earned thereon shall be disbursed in paying for the *Qualified Expense*.
1. The Participant is required to complete all LCDFI IDA Orientation, all LCDFI recommended Financial Literacy classes and classes associated with the chosen asset goal. To remain eligible for the program any missed classes must be made up within 12 months after opening the IDA savings account before IDA saving funds are released/dispurse. Failure to do so is grounds for withdrawal from the program.
2. Withdrawals for purposes other than paying for the Qualified Expense are not encouraged. However, in the event of an emergency, withdrawals for other purposes may be permitted. Such emergency withdrawals from the IDA savings account require:
  - a. the approval of the IDA Approved Manager; and
  - b. will be permitted no earlier than six months after the initial deposit by the Participant;
  - c. only up to 10% of the money saved (unless other arrangements have been made with approval from the IDA Approved Manager); and
  - d. Only for the following:
    - Medical expenses,

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- Payments necessary to prevent eviction; or
  - Necessary living expenses following loss of employment.
  - Other, as justified and approved by IDA Manager.
3. No matching contributions will be made until the withdrawn amount has been fully repaid, and if not repaid within 12 months, the Participant will not be permitted to continue in the program.
  4. After consultation with LCDFI, the Participant may request the transfer of funds in his/her IDA to the IDA of his/her spouse or dependent.
  5. The Participant may designate a recipient to receive his/her IDA in the event of the Participant's death prior to successful completion of the program. To the extent allowed by law, the designated recipient will be entitled to the deceased Participant's savings and income earned thereon. Moreover, if the designated recipient qualifies for participation in the IDA program at that time, the designated recipient will be eligible to complete the requirements of the LCDFI IDA program, in which event the designated recipient would receive the deceased Participant's matching contributions and income earned thereon.
  6. The Participant shall be free at any time, after consultation with LCDFI, to terminate participation in the program and will be able to withdraw his/her savings and any interest earned upon these savings.
  7. If the Participant's participation in the program is terminated, he or she will become ineligible to receive any matching contributions or interest earned on the matching contributions.
  8. A Participant may not continue in the program if he/she relocates outside of the Lummi CDFI's target market area.
  9. Upon termination, a Participant's IDA will be transferred to a regular banking savings account— at which the bank the IDA account is set-up—that has Participant's full responsibility and control. This savings account will be subject to all the normal fees and regulations associated with these type of accounts.
  10. During the course of the program, the Participant must work with his/her LCDFI staff person to resolve any credit problems he/she has which will affect the success of the asset goal.
  11. LCDFI IDA program staff or outside consultants may be reviewing information regarding each Participant for program evaluation purposes. *All information provided for this evaluation will be confidential and Participants' names will never be used in any reports or summaries originating from this evaluation without prior written consent.*
  12. The Participant shall participate in evaluation activities, which may include completing surveys, participating in focus groups and one-on-one interviews.
  13. The Participant shall notify his/her LCDFI IDA program staff person before missing a class, or missing a monthly savings deposit.
  14. The LCDFI IDA Program reserves the right to change LCDFI IDA Program rules during the term of this letter of agreement. Written Notification of any changes will be provided to Participants prior to its taking effect.
  15. In the event of any inconsistencies between provisions herein and applicable federal, state, or local law, this Agreement shall be construed to omit the provisions herein that are inconsistent with applicable law and to substitute in their place the relevant provisions of applicable law.

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## IDA Pilot Program: Savings Plan Agreement Between LCDFI IDA Program & IDA Participant

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### LCDFI IDA Programs agrees:

1. To allocate \$1 in matching funds for every \$1 the Participant saves, with a maximum savings match of \$1,000. *\*However, the match may be more, depending on if other funding sources are identified.*
2. To provide account holders with monthly statements of savings and accrued matching contributions.
3. To coordinate and provide budgeting, credit, savings, and asset goal specific classes, and additional support services for the Participant in order to enhance the Participant's savings effort and to further progress made toward asset goals.
4. To work with the Participants so that program elements do not in themselves discourage participation in the program.
5. To work with Participants to ensure that their savings timeline and plan are feasible and contain realizable goals.
6. To work with Participants at their request to address any barriers to completing all of the requirements for eligibility in the program, including assisting them to find other resources to assist with emergencies in lieu of making a withdrawal from their IDA.
7. To assist Participants in finding appropriate training to prepare them for their specific asset goals.
8. To make IDA funds and any income earned thereon and matching funds available for the Participant at the time of asset purchase. LCDFI will disburse funds directly to the asset vendor. *\*Please note, there will be no personal direct disbursements.*
9. Individually based, to work with Participants for up to six months after program completion, providing counseling and referrals to provide support for Participants as they strive to maintain their goals for success.

**I understand the terms and conditions set forth above for participating in the LCDFI Individual Development Account Program.**

\_\_\_\_\_  
IDA Participant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
IDA Specialist Signature

\_\_\_\_\_  
Date

# Lummi Community Development Financial Institution (LCDFI)

Individual Development Account (IDA)

Participant Application Form

Please note: all information requested on this application form will be kept confidential within Lummi CDFI and partner organizations and evaluators. Much of the personal and financial information collected on this form is necessary only for evaluative purposes.

## Personal Information

Name: \_\_\_\_\_ Social Sec. No.: \_\_\_\_ - \_\_\_\_ - \_\_\_\_\_

Street: \_\_\_\_\_ Apt #: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_ Zip Code: \_\_\_\_\_

Home Phone: (\_\_\_\_) \_\_\_\_\_ Work Phone: (\_\_\_\_) \_\_\_\_\_ Cell: (\_\_\_\_) \_\_\_\_\_

Gender:  Female  Male Date of Birth: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Ethnicity:  African American  Caucasian  
 Latino or Hispanic  Asian, Pacific Islander  
 Native American - Tribe: \_\_\_\_\_  Other (please specify: \_\_\_\_\_)

Highest Level of Education Completed:

- |   |  |
|---|--|
| <input type="checkbox"/> Grade K through 5          | <input type="checkbox"/> Grade 6 through 8                 |
| <input type="checkbox"/> Grade 9 through 12         | <input type="checkbox"/> High School Diploma or GED        |
| <input type="checkbox"/> Attended college           | <input type="checkbox"/> Graduated junior college (2 year) |
| <input type="checkbox"/> Graduated college (4 year) | <input type="checkbox"/> Attended graduate school          |

Place of Residence:

- Urban or suburban (population of 2,500 or more)  
 Small town or rural (population of less than 2,500)

How did you hear about Lummi CDFI IDA Program? \_\_\_\_\_

Do you have any special needs staff should know about?  
\_\_\_\_\_

## Household Information<sup>1</sup>

How many adults (18yrs and older) currently live in participant's household: \_\_\_\_\_

How many children (under 18yrs) currently live in participant's household: \_\_\_\_\_

Applicant's marital status:  Single (never married)  Married  Separated  
 Divorced  Widowed

What is the primary language spoken in your household? \_\_\_\_\_

<sup>1</sup> "Household" includes 1) your financial dependents (for example, your dependent children), 2) anyone you depend on financially (for example, your parents), or 3) anyone with whom you are financially interdependent (for example, your spouse or partner). Your "household" may or may not

Return complete applications to:

Internal Office Use Only - Return completed applications to: 4920 Rural Ave., Ferndale, WA. 98248  
For questions, call Gloria Point at (360)-594-6005

If it is not English, is English also spoken? \_\_\_\_\_

\_\_\_\_\_

be the same as the people you live with.

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For questions, call Gloria Point at (360)-594-6005*

**Emergency Contact Information**

Please list a relative or friend who would definitely know how to contact you, even if you move:

Name: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_  
Street: \_\_\_\_\_ Apt #: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Income Information**

Income of all household members - please list gross income (before taxes):

<u>Category</u>	<u>Last Month</u>	<u>Typical Month</u>	<u>Last Year</u>
Formal employment (wages)	\$ _____	\$ _____	\$ _____
Self-employment (selling things you make, doing laundry, sewing, childcare, etc.)	\$ _____	\$ _____	\$ _____
Government assistance (TANF, Food Stamps, SSI, Social Security, Unemployment or Veterans' Benefits)	\$ _____	\$ _____	\$ _____
Pensions or retirement income	\$ _____	\$ _____	\$ _____
Child support / alimony payments	\$ _____	\$ _____	\$ _____
Friends or family	\$ _____	\$ _____	\$ _____
Investment income	\$ _____	\$ _____	\$ _____
Other (please specify: _____)	\$ _____	\$ _____	\$ _____

**Employment Information**

Primary Employment Status (choose one):

- |   |  |
|---|--|
| <input type="checkbox"/> Employed more than full-time (overtime or more than one job, for yourself or others) | <input type="checkbox"/> Currently seeking employment      |
| <input type="checkbox"/> Employed full-time (for yourself or others)  | <input type="checkbox"/> Homemaker, not seeking employment |
| <input type="checkbox"/> Employed part-time (for yourself or others)  | <input type="checkbox"/> Disabled, not seeking employment  |
| <input type="checkbox"/> Working and in school or job training  | <input type="checkbox"/> Retired, not seeking employment   |
| <input type="checkbox"/> Laid off, waiting for call back  |  |
| <input type="checkbox"/> Currently in school or job training  |  |

Employer: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_  
Street: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

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<b>Assets &amp; Liabilities</b>
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Assets and liabilities:

(Circle one)

- |   |     |    |  |
|---|-----|----|--|
| Do you own a vehicle(s)?                                | Yes | No | Value of vehicle(s): \$ _____<br>Outstanding vehicle loan(s): \$ _____ |
| Do you own a home?                                      | Yes | No | Value of home: \$ _____<br>Outstanding mortgage \$ _____               |
| Do you own a business?                                  | Yes | No | Value of business: \$ _____<br>Outstanding loan(s): \$ _____           |
| Do you own residential rental property or land?         | Yes | No | Value of property: \$ _____<br>Outstanding property loan: \$ _____     |
| Do you own stocks, bonds, a 401k, or other investments? | Yes | No | Value of investments: \$ _____   |
| Do you have a checking account?                         | Yes | No | Amount in account: \$ _____  |
| Do you have a savings account (other than an IDA)?      | Yes | No | Amount in account: \$ _____  |
| Do you owe money to friends or family?                  | Yes | No | Amount you owe: \$ _____   |
| Do you have past due household bills?                   | Yes | No | Amount past due: \$ _____  |
| Are you carrying a balance on credit card(s)?           | Yes | No | Amount of balance(s): \$ _____   |
| Do you have outstanding student loans?                  | Yes | No | Outstanding loans: \$ _____  |
| Do you have outstanding medical bills?                  | Yes | No | Outstanding balance: \$ _____  |

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**Applicant Personal Commitment/Statement**

Please explain why you are interested in participating in *Lummi CDFI IDA Program*.

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Please describe what your end goal is (in terms of asset purchase)?

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What is the total cost of your asset purchase?

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How much do you think you could afford to save each month? \$ \_\_\_\_\_

How long of a term can you commit to (choose anywhere from 6 months to 24 months): \_\_\_\_\_

**Applicant Certification**

My signature below certifies that all information provided on this application is accurate and complete to the best of my knowledge. This also serves as my commitment to IDA plan and that I acknowledge all the IDA program policies and participant handbook requirements.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Applicants under age 18 must have the consent of a parent or guardian:*

My signature below certifies that I am a parent or guardian of the minor applicant on this application and that I consent to the applicant's participation in *Lummi CDFI IDA Program*.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Relationship to Participant: \_\_\_\_\_

**For Office Use Only**

Date received: \_\_\_\_\_ Application reviewed by: \_\_\_\_\_

Application complete

*Return complete applications to:*

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Interview scheduled: \_\_\_\_\_

Participant start date: \_\_\_\_\_

Paper file established

Data entered in MIS

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**Lummi  
Community Development Financial Institution  
(LCDFI)**

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**Individual Development Account  
Participant Handbook**

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**Policies & Procedures**

# Individual Development Accounts

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## Participant Handbook

Dear New Participant:

Welcome to LCDFI's IDA Program! Congratulations for taking an important step toward growing your family's financial stability and well-being. Our goal at LCDFI is to help you in any way we can to become a savvy money manager and to meet your financial goals. Please contact us anytime you have questions about managing your money and your IDA account.

Your IDA Specialist, {TBD}, will review the program guidelines in this handbook with you at the time you enroll. Please keep it where you can refer to it if you have any questions, so that you will be able to use the program to your best advantage. The rules for participating in this program are designed to provide the structure and the motivation that most people need in order to develop good money habits. These rules will be enforced, so it is important that you understand and follow them in order to maintain your enrollment and earn your savings match.

You have set a worthwhile goal! We have confidence that you will achieve that goal if you stay focused and work hard for it. Please let us know how we can help you succeed.

Best Wishes,

{Name TBD}  
IDA Specialist  
Lummi CDFI

# Individual Development Accounts Participant Handbook

## General Information

### Program Objectives

Our objective for the IDA Program is to assist people with limited means in achieving financial independence and to become financially self-sufficient by providing the motivation, information and skills to:

- ❖ Set goals for their future
- ❖ Establish regular savings habits and disciplines, and
- ❖ Invest in assets that will allow them to achieve their goals

The IDA Program meets this objective by providing training and counseling, access to financial services and a financial incentive to reach for a worthwhile goal. The financial incentive includes a 8:1 match for each dollar saved up to \$4,000 (if \$500 is saved by the participant, \$4,000 will be contributed by LCDFI, for a total of \$4,500)\*, which can be used to purchase a:

- first home,
- start a small business,
- invest in a college education,
- vocational training, or
- cover some school related expenses.

\*The match amount is subjective and may range from \$1 to \$8 dollars, as match funds are dependent on grant funding available.

In addition, LCDFI offers other resources to help participants stabilize their lives in order to focus on long-range goals. With all of our partnerships, they help to make the program successful.

### Service Area

All participants in the LCDFI IDA program must reside in the CDFI's target market area upon enrolling in the program.

### Eligibility

Individuals or families meeting all of the following criteria are eligible to apply, and participants will be selected from among the applicants:

- ❖ Must be within LCDFI's Target Market.

- ❖ Must be within funding requirement guidelines.

### **Participation Requirements**

Once accepted into the program, participants must meet the following conditions to remain enrolled:

- ❖ Open an IDA savings account at one of LCDFI partnering banks
- ❖ Make a monthly savings deposit of earned income (minimum amount of \$10) for a period of at least 6 months
- ❖ Do not miss more than 2 deposits during the savings period
- ❖ Participate in the required Financial Literacy Education or other Financial Courses, as identified and recommended.

### **LCDFI Banking Partners**

1. Banks: US Bank and Industrial Credit Union, and other banks as identified.

## **Program Design**

### **Your IDA Account**

In order for meaningful goals to be set and achieved, participants must have full ownership of those goals. We will help you set achievable savings goals, and establish rules for your use of the money as long as you remain active in the program.

Each interest-bearing IDA savings account will be established as a custodial account with LCDFI as the contractual custodian for the IDA participant. Each participant will need to bring a

- Welcome Letter; and
- Signed LCDFI IDA Participant Enrollment form; along with
- Forms of identification listed in the welcome letter, when they are ready to open their account.

Only earned income will be acceptable for deposit and authorization from the IDA Specialist will be required for a withdrawal from the account. You will always be given authorization for withdrawal upon request, with the following potential outcomes:

**Qualified withdrawals:** A qualified withdrawal is only authorized upon completion of all program requirements. These requests will result in the participant receiving the matching funds in the form of a check mailed directly to the vendor for their asset purchase.

**Emergency withdrawals:** These requests will be authorized for situations in which medical care is required, eviction is threatened, or basic living expenses are needed due to

loss of employment. Matching funds are not received. Emergency withdrawals must be replaced in the account within one year of withdrawal. All efforts to resolve the emergency without using the IDA savings will be made first.

**Other withdrawals:** All other withdrawal requests will result in termination from the IDA Program. The matching funds will not be received.

### **Steps to Program Completion**

- 1) After you have attended the IDA Orientation, you will be scheduled for an appointment with the IDA Specialist to assist you with the application. At this appointment you will also complete a Financial Skills Assessment and develop a beginning savings plan/budget. This Participant Handbook will be reviewed with you and any questions answered.
- 2) Your application will be reviewed by the IDA Specialist and the Community Services Manager to determine if you are income eligible for program participation and that all documentation required has been received.
- 3) If you are eligible and selected to participate in the program, your next appointment will be scheduled with IDA Specialist. You will be given a list of documents to take to this appointment. They will order your credit report and review it with you to determine if you need assistance with credit repair and/or debt management. At this appointment, they will also develop a budget with you to encourage savings and debt repayment.
- 4) Your next step will be to open an IDA savings account at one of our partnering banks. The account will require a minimum opening deposit of \$10. From the LCDFI, you will be given a Welcome Letter and a signed IDA Participant Enrollment form to take to one of the branches listed in the Welcome Letter.
- 5) You must make a deposit each month, a minimum of \$10 (no maximum). This deposit must come from earned income (wages, salary, professional fees, or other amounts received as compensation for personal services). You will be encouraged to arrange for automatic deposit of your monthly savings goal into your IDA account, in order to make the habit of saving money as easy as possible and reduce the temptation to skip a deposit. You may make the deposit each month yourself if you choose to.
- 6) Attending the Financial Educations classes will be mandatory. A schedule for your class attendance will be planned by you and the IDA Specialist. The classes you attend will be determined by your Financial Skills Assessment and other interests you may have.
- 7) Before purchasing your asset, you must complete your asset-specific training. This may include attending the Lummi Housing Authority Homebuyers class or

equivalent (which is approved by the IDA Specialist) if your chosen asset is a first home. For those saving for an education, a career assessment and education planning session with the school of your choice may be required. Completion of a Small Business workshop might be one of the asset-specific trainings for a purchaser of a small business. Your IDA Specialist will assist you in scheduling and planning for your asset-specific training.

- 8) Counseling is available for any participant who needs extra help from LCDFI to be successful in the program. If you miss more than one deposit you must meet with your IDA Specialist to get back into regular savings habits before you lose your enrollment position.

### **Qualified Withdrawals/Asset Purchase Guidelines**

The Individual Development Accounts program is designed to help participants acquire productive assets. Participants may use their IDA savings and match funds for the following expenses\*:

- ❖ ***To purchase a first home***, including a house, pre-fabricated house or condominium. The IDA participant must be planning to live in the home. Acceptable IDA uses include the down payment and closing costs (home inspections, attorney's fees, title searches, etc.).
- ❖ ***To capitalize a small business***. Expenditures for initial inventory, business equipment, marketing or other start-up costs are permissible provided all expenditures follow from an approved business plan.
- ❖ ***Post-secondary educational program***. Tuition should be toward a degree or course of study that can be reasonably expected to improve an IDA participant's prospects for employment and/or earning potential.

*\* IDA Pilot Program has five tracks: home, business, education, financial fitness, and credit building.*

### **Qualified Withdrawals/Asset Purchase Procedure**

- 1) Prepare an asset purchase plan with the IDA Specialist. This will often require shopping around for the desired product(s) and price(s).
- 2) Acquire documentation of the exact costs of the asset you are purchasing. The following forms of documentation are necessary for each category of asset purchase. For example:
  - ❖ **Home purchase** – a copy of a purchase and sales agreement, mortgage approval letter, any relevant bills (attorney, home inspector, etc.). Dependent of type of IDA funds available, home improvements may qualify also.

- ❖ **Business start-up** – a copy of the participant’s business plan and written estimates for the cost of services or products to be purchased for the business.
  - ❖ **Education** – a tuition and/or expenses bill from the school or training program as well as a description of the degree program or course of study. A course catalog and a letter of acceptance may suffice.
- 3) Complete a Qualified IDA Withdrawal Request form and submit to the IDA Specialist. Please request qualified withdrawals as far as possible in advance of the date the IDA funds are needed, so that this process can be completed in a timely fashion. The IDA Specialist will submit the proper documentation to the LCDFI Accounting Department for the amount of your request (this amount should be equal to the amount of the IDA savings account and the matched savings dollars). **NOTE: If the cost of your asset purchase is more than the total of your savings account and matched savings dollars, you must show that you have the balance to pay the difference (example, from your job, dividends, extra savings, tax refund etc.).** This check will be made out to the vendor directly and will be mailed unless other arrangements have been made to have the check picked up.
  - 4) Complete an evaluation of the IDA program and your experience with it, and describe what the program has meant to you and your family.

### **Qualified Withdrawal/Asset Purchase Appeal Process**

This handbook shall serve as the primary definition of what qualified withdrawal/asset purchases are acceptable uses of IDA savings and matching funds. In the case that a withdrawal request is denied, the participant may request, in writing, for their request to be reviewed by the IDA Specialist. Participants that anticipate submitting an unusual qualified withdrawal request should ask the IDA Specialist for a ruling about the acceptability of their request as far in advance of requiring IDA funds as possible.

### **Emergency Withdrawal Guidelines**

IDA participants are strongly discouraged from making emergency withdrawals from their IDA accounts. However, in the event that a financial emergency arises, participants are encouraged to discuss their situation with the IDA Specialist to determine if alternative solutions to the problem are available. If there is no other alternative, participants will be authorized to make an emergency withdrawal of their savings in the amount necessary. This withdrawal will not include any matching funds accumulated to date. Participants who make emergency withdrawals will forfeit any match money earned on the withdrawn funds. The amount of the emergency withdrawal must be replaced in the account within 1 year of the withdrawal. Emergency withdrawals may be used for:



- ❖ Expenses for essential medical care for the participant, a spouse, or dependent
- ❖ To prevent the participant from being evicted from, or preventing foreclosure on the participant's primary residence
  
- ❖ To pay for critical living expenses, such as food supplies or heating expenses, following a participant's loss of employment

### **Alternatives to Emergency Withdrawals**

In the event that a participant applies to make an emergency withdrawal and the IDA Specialist does not approve the request, that participant may choose:

- ❖ To make do without the emergency withdrawal and continue participating in the IDA program as before
- ❖ To withdraw from the program and receive a full refund of all IDA deposits and interest. This may jeopardize any possibility of future program participation.
- ❖ Apply for a leave of absence, which would not provide access to IDA funds but would provide a planned break from the obligation to make monthly IDA deposits

### **Emergency Withdrawal Request Procedures**

Participants who are in need of an emergency withdrawal should:

- 1) Complete and submit an Emergency Withdrawal Request form to the IDA Specialist.
- 2) Schedule a meeting with the IDA Specialist to discuss the financial crisis that has created a need for the withdrawal and to review alternative strategies to resolve the crisis.
- 3) If the request is approved, develop a revised savings plan with the IDA Specialist that will allow the withdrawn amounts to be re-deposited within a reasonable timeframe.
- 4) The IDA Specialist will make arrangements for the withdrawal from the participants IDA savings account in a timely manner.

### **Reimbursement of Emergency Withdrawals**

You must reimburse your IDA account for any funds withdrawn from the account for an Emergency Withdrawal, not later than 12 months after the date of the withdrawal. If you do not replace the funds, you will be terminated from the program.

**Final Note:**

**Please feel free to contact the IDA Specialist at anytime if you have questions or are having problems. We are here to help you develop your financial plan and provide you with other resources that you might need along the path to your goal. Your success is very important to us and we look forward to the day that you purchase your first home, the opening day of your business or your first day of school!**

**Good luck!**



## Lummi Community Development Financial Institution (LCDFI)

### Individual Development Accounts (IDA)

### Program Overview for IDA Pilot Project

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The purpose of the IDA program is to help individuals and families develop personal money management skills, purchase an “asset”, and save with the incentive of matching dollars.

#### **You can save for any of the following track areas:**

- Home – ie repairs, downpayment, etc.
- Small Business – start-up, expansion, money down for a business loan, etc.
- Education – tuition, books, travel, etc.
- Financial Fitness – get fit while saving money \* under a physicians health plan and working with Lummi Fitness Center
- Rebuilding Credit – establishing new credit, repairing debt, etc.

Lummi CDFI will match your savings with \$1 for every \$1 you save \*possibly \$2 to \$1, which is dependent on the availability of funding. Individual participants will be allowed to save a minimum of \$41.67 to a maximum of \$166.67 of earned income per month, for a term of 6 to 24 months. This will give you a total of \$2,000 to use towards your “asset”. All deposits to the IDA savings accounts must be from EARNED INCOME sources.

You must be enrolled in the program for a minimum of 6 months and no longer than 2 years.

#### **Eligibility Requirements:**

- Must be within LCDFI's Target Market (TM) \*Lummi Nation enrolled tribal members are given priority status over other applicants.
- Must be employed – full time or part time or other verifiable source of income.

#### **Documentation Checklist (required):**

Please bring the following to your IDA appointment:

- Picture ID
- Certificate of Indian Blood, if applicable.
- Copies of last 2 paycheck stubs or letter of hire
- Copies of signed income taxes.
  - If you did not file, please contact the IRS.
- Recipients should request a print out of their benefits, if necessary.
- Information regarding your assets.
  - Value of homes, real estate, vehicles, bank accounts, IRA's, stocks,
- Other investments
- Information regarding your liabilities:
  - Balances on any loans, credit card balances, listing of all debts (include student loans, medical, dental bills etc.)



## Lummi Community Development Financial Institution (LCDFI)

### Individual Development Accounts (IDA)

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#### Program Overview for IDA Pilot Project

Your first appointment will be with the IDA Specialist and should last approximately 1 hour. During this appointment you will complete the IDA program documents.

- a. You must fill out a credit check authorization form for a credit check for review at your next IDA appointment.
- b. You must fill out IDA Application and General Intake Form

After your application has been processed and approved for enrollment into the program, we will notify you and schedule your 2nd appointment. This appointment will be with the IDA Specialist.

- a. Review Credit Report.
- b. Based on your General Intake Form, the Business Trainer/Success Coach will help prepare your financial education plan using the Business Coach Checklist, which must be signed when each course is fully completed.
- c. Also, the Business Trainer/Success Coach will also help you prepare a budget.
- d. If you are a "Financial Fitness" track participant, each month you will need to check-in with the Lummi Fitness Center's Certified Trainer (Anna Finkbonner) @ 360-384-2274 and also Lummi Clinic's Nutritionist, Monica Sullier @ [monica@indianhealthboard.org](mailto:monica@indianhealthboard.org) and phone 360-380-6936; they will recommend health/exercise activities (a minimum of 2 per week) and nutrition classes (a minimum on 1 per month). \*all commitment activities must be completed and turned into Lummi Fitness Center before match dollars are applied to your IDA account. Fitness Center will send our IDA Manager your monthly commitment sheet.

After these appointments, you will be ready to open your IDA savings account at identified partnering banks.

Then we will set up a schedule for the Financial Education Classes. These are require; however, if they time does not fit with your schedule due to work, please coordinate for other times with the IDA Specialist. You will also be required to participate in training that relates specifically to the "asset" you have chosen. These

classes/workshops will happen after you have been saving for a while and are closer to purchasing your "asset".

#### Contact Information

Please feel free to call 360-594-6005 for further information. You can also email Gloria Point, Administrative Financial Trainer for Small Business & Success Coach, @ [gloriap@lummicdfi.org](mailto:gloriap@lummicdfi.org).



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