



Individual Development Account

Application



A grassroots program to promote self-sufficiency

Program Summary

The Wyoming Women's Business Center (WWBC) Individual Development Account (IDA) Program is designed to help low to moderate income and low to moderate wealth individuals and families leverage a modest income into long lasting prosperity and provide a roadmap for lasting social and economic stability. IDA's are matched savings accounts generally used to encourage individuals with low incomes to save money toward continuing their education, starting or expanding their own business, or purchasing or repairing a home.

The WWBC IDA Program is available to all Wyoming residents and primarily consists of women, people of color, people with disabilities and individuals with low to moderate incomes and low wealth. The WWBC is particularly committed to working with parents of young children and people with disabilities to improve their overall quality of life through savings and financial literacy in conjunction with assisting individuals to start and expand small businesses within the State of Wyoming.

IDA program participants are required to complete personal financial education as well as training related to the asset for which they are saving (i.e., participant would be required to complete a business planning/management class if they are saving to start or expand a small business). It is expected that participants will develop a habit of life-long saving in addition to becoming familiar with mainstream financial products and services while participating in the WWBC IDA Program.

It is the goal of the IDA program for each participant to set and achieve realistic savings goals, develop a household budget and spending plan, understand cash flow and how to plan for "unexpected" expenses, establish a financial recordkeeping system, and understand basic financial products including checking accounts, savings accounts, credit cards, installment loans, and their credit scores.

The WWBC's IDA program currently matches the first \$2,000 of participants' savings, dollar-for-dollar. This can result in a participant having \$4,000 in funds for their asset purchase (\$2,000 from WWBC and \$2,000 from the participant). Once the participant completes the designated training courses and reaches the savings goal the WWBC matching funds are paid directly to the asset vendor and the ownership of the asset is transferred to the participant.

Permissible Use of IDA Funds

There are 4 savings goals that are eligible for matching funds through the WWBC's IDA Program. IDA program staff will evaluate the participant's ability to reach their savings goal given their current financial capacity in addition to determining that the amount saved will result in the desired asset purchase within the time frame designated prior to being accepted into the WWBC IDA Program. A participant may save for one of the following:

Home ownership

The WWBC IDA Program will work with the Wyoming Family Home Ownership Program (WFHOP) to assist individuals in saving for the purchase of a home. IDA savings and matching funds may be used toward closing costs, down payments, or other costs as associated with the home purchase as agreed upon by the WFHOP. Participants are required to complete a new home owner training course as well as any requirement outlined by WFHOP prior to receiving matching funds from the WWBC IDA Program.

Starting or expanding a small business

Participants saving for the purpose of starting or expanding a small business in Wyoming may utilize IDA funds to purchase equipment, inventory, business vehicles, leasehold improvements, or to meet working capital needs for business startup or expansion.

Participants must submit a comprehensive business plan which clearly outlines the use of IDA funds and how the funds will contribute to the success of the business prior to receiving matching funds. All purchases must be for business use according to the participant's business plan and designated savings goals.

Participants saving toward starting or expanding a business will be required to submit a business plan in addition to completing the Personal Financial Management Training Program. Additional business finance/management training may be required in addition to the business plan.

Participants may also use their savings and matching funds for tuition and related educational expenses to obtain skills or certifications necessary for their business development. Funds may be used for expenses such as tuition, a computer, books, and class activity/lab fees. Classes must be offered by an accredited post-secondary educational institution or approved vocational program and written acceptance from the educational institution will be required prior to any matching funds being awarded. Applicants will be required to provide a written explanation outlining the courses they will take and how their education will contribute to their business success.

If a participant needs additional funds to start or expand his/her business, the WWBC will consider requests to use IDA program savings and matching funds as the owner's contribution when applying for a WWBC microloan. If the participant wishes to utilize WWBC Microloan funds for the remainder of their capital needs, he/she will be required to apply for the WWBC Microloan and be approved for said loan prior to being accepted into the WWBC IDA Program.

Generally, IDA funds should not be used to replenish inventory or cover other on-going operating expenses (such as payroll or rent/lease costs) unless such expenditures are part of a specific and well-reasoned plan to return an ailing business to viability within a reasonable time frame. The strategic plan to implement and return the business to viability must be clearly defined in a comprehensive business plan which is to be approved by WWBC IDA staff. Under no circumstances will IDA funds be used to delay the closing of a business that has no reasonable prospect of survival.

Transportation (purchase of vehicle to assist in their business or to facilitate financial self-sufficiency) Participants may utilize IDA funds for the purchase of a vehicle but must demonstrate a need for said vehicle in conjunction with increasing household income (i.e., participant cannot get to work without it) or it is a necessary purchase for their business and is outlined in their business plan.

All participants requesting IDA funds for purchase of a vehicle must complete the Personal Financial Management Training and demonstrate an ability to maintain liability insurance and vehicle registration/licensing from personal financial resources after purchase.

Credit building or improvement

Participants may use IDA savings and matching funds to restore their credit and in turn increase their credit scores in an effort to become bankable and to become eligible for a business loan.

Funds may be used to reduce excessive debt obligations or for actions resulting in positive credit building activities as agreed upon by the participant and WWBC IDA Program staff. Funds may be used for any agreed upon action which will result in an increase in the credit score or to help right any negative item reported on the credit report (discrepancies or inaccurate information showing on the report).

Participants using funds for Credit Improvement will be required to complete a Personal Financial Management Training course, prepare a complete business plan, and other training as determined on an individual basis in an effort to improve their credit score and financial position for the purpose of obtaining a business loan in the foreseeable future.

Eligibility Requirements

Participants must meet the following guidelines to qualify for participation in the WWBC IDA Program. Participants will be asked to provide W-2's, tax records, paycheck stubs as proof of employment, and verification of residency prior to final approval into the program. The WWBC IDA Program reserves the right to waive requirements based on funding availability and/or changes in funder requirements as deemed necessary and prudent for the program and its participants.

General Requirements

Participants must be at least 18 years of age, have a social security number, and be a Wyoming Resident for at least 3 months prior to submitting their application. If an applicant is currently or has participated in any other IDA program they are unqualified to participate in the WWBC IDA Program. No more than 2 members of a household may participate in the WWBC IDA program at any time.

Employment

Participants must have earned income either from employment or self-employment to be used for monthly deposits. Participants may be enrolled in the IDA program while they are unemployed if there is a reasonable expectation that they will be re-employed within 3 months (i.e., they are on parental leave, have seasonal employment, or are attending college and work primarily during semester breaks).

Participants cannot be unemployed for more than 3 months (consecutive or non-consecutive) during each 12 month period while participating in the WWBC IDA Program or they will be removed from the program and matching funds will not be awarded regardless of whether the participant has met training or savings goals. If a participant has seasonal work and can document their work history for the last 2 years, and their ability to maintain financial stability during their off-season (i.e. income earned during

seasonal work is saved and available to sufficiently cover expenses during off-season), the participant may be allowed to participate after full review and acceptance by the WWBC IDA Program staff.

Income

To qualify to participate in the WWBC IDA Program participants 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 300 percent of the Federal poverty line (WWBC Staff will determine this based on information in the application)
OR
- ✓ Are eligible for the Federal Earned Income Tax Credit

Participant IDA deposit funds cannot come from rental income, investment income, unemployment insurance, workers compensation, social security, TANF, or other unearned income sources. Deposits must be made from earned income derived from employment or self-employment and proof of said employment may be requested throughout the participants' enrollment in the WWBC IDA Program. Failure to provide proof of employment may result in removal from the program and loss of matching funds.

Assets

Participants must be members of households whose net financial assets total less than \$10,000. Participant(s) primary dwelling and one motor vehicle per household are excluded from the net financial asset calculation. WWBC IDA Program staff will assist in determining net financial assets for each IDA applicant based on information provided on the following pages.

Establishing an IDA Savings Account

Participant's IDA Account

Each IDA participant is responsible for establishing a savings account in their own name (i.e. the IDA applicant will be the sole owner of the IDA account) and must be opened at any bank located within the State of Wyoming. The IDA account will be used only for the IDA program (no other transactions will be allowed).

The participant may request for the bank to send a monthly statement directly to the WWBC IDA Program in addition to the participant to eliminate the need for the participant to make a copy and forward a statement to the WWBC on their own. If the bank is unable/unwilling to provide this service the participant is required to submit the monthly account statement to the WWBC IDA Program within 15 days of receiving the statement. This can be done via email, mail, or fax.

Savings Time Periods

Participants may save over a period of time ranging from 12 months to 3 years. The maximum savings period is 3 years (36 months). If the participant's goal is to save the maximum allowed, or \$2,000, he/she will have to save on average \$55.55 each month for 36 months to reach their goal within the allotted time. The WWBC also offers a "Fast Track IDA" which is discussed separately from the standard IDA program.

Participants must save for a minimum of six (6) months before any withdrawal will be approved. This includes emergency withdrawals. See emergency withdrawal section for provisions.

Monthly Deposit Requirement

Participant(s) will be required to deposit a minimum of \$20.00 every calendar month from earned income (income from working to earn wages or from self-employment) and in most cases will need to deposit additional funds (beyond \$20/month) to meet their savings goal within the 3 year time frame.

Each participant is allowed one (1) “missed deposit” per year (12 months). All IDA deposits must be made no later than the 16th of the month. Deposits made after the 16th may be considered a “missed deposit”. In addition, failure to deposit the minimum savings amount of \$20 each month will be considered a “missed deposit”. Participants may be subject to removal from the IDA program if they have more than one (1) “missed deposit” per 12 month period. If a participant is removed from the program all WWBC matching funds will be forfeited.

If a participant’s employment or source of earned income is seasonal they may request a different savings schedule to meet their savings requirements. WWBC IDA Program staff will assist the participant in determining their monthly savings requirements in order to reach their savings goal within the time they desire. Any deviation from the agreed upon savings plan may result in removal from the program and loss of matching funds.

Training Requirements

Financial Literacy Training

All WWBC IDA Program participants will be required to complete the Personal Financial Management Training Course within the first 6 months of participation in the program. Failure to complete the training course within the designated time may result in participant removal from the program and loss of matching funds.

Asset Specific Training

Home ownership

All participants applying for the purpose of saving toward the purchase or renovation of a home will be required to complete training as required by the WFHOP.

Starting or Expanding a Business

Participants who apply to use their funds to start or expand a small business in Wyoming are required to complete business training and submit a satisfactory business plan within the first 18 months of participation and prior to any withdrawal of funds. If the participant has already completed a business plan, they can fulfill this requirement by submitting an updated copy of the written plan to the WWBC IDA Program staff for consideration. All business plans must be approved by IDA program staff prior to the purchase of the designated business asset(s).

Additional business training may be required depending on the participant’s knowledge and background. If additional training is required, the participant and WWBC IDA staff will determine the training needed and outline the timeframe for completion.

Participants wishing to use funds for educational expenses must meet with an advisor at the educational institution they plan to attend to outline their educational plans and the classes they need to complete to achieve them. All educational plans must be signed by the participant’s advisor and approved by the WWBC IDA program staff.

Transportation

Participants requesting matching funds for the purchase of a vehicle must complete the Personal Financial Management Training and demonstrate the financial capacity to maintain insurance and annual licensing.

Credit Building and Improvement

Participants requesting matching funds for credit improvement must complete the Personal Financial Management Training and will work with the WWBC IDA Program staff to devise other training or credit improvement plans and outline the timeframe for completion.

One-on-One Technical Assistance

One-on-one meetings (in person, via phone, or via Skype) with IDA Program staff are available to participants at any time. The WWBC IDA Program staff is more than willing to help participants set savings goals for asset acquisition, design their individual training program, and evaluate their progress along the way. Participants need only to contact WWBC staff to make an appointment.

Asset Purchase / Withdrawal

Participants must save for a minimum of twelve (12) months before they will be allowed to make a withdrawal for the purchase of the pre-designated asset. Withdrawal for purchase of assets will not be allowed until all training requirements have been completed.

Participants have one (1) year from the scheduled end date of their savings goal to make their asset purchase. If participants meet their savings goal early, they are not penalized as the one year time period will not start until the scheduled end date occurs. Participants who achieve their savings goal in full and have completed their training must purchase the asset within the 12 months upon the scheduled end date or they will forfeit all matching funds.

Participants must submit the “Withdrawal for Asset Purchase Form” in order to receive matching funds. The matching funds will be provided directly to the vendor (not the participant) and will be included with the funds saved by the participant.

Emergency Withdrawals

An IDA is intended to help people purchase productive assets and increase wealth. Therefore, any savings withdrawals for non-asset use are strongly discouraged and require approval by WWBC staff.

There are only three (3) circumstances where participants may withdraw funds from their IDA account for non-asset purchases which are defined below:

- Payments for medical expenses incurred for the participant, his/her spouse, and/or dependent(s)
- Payments to prevent the eviction or foreclosure of the participant
- Payments for vital living expenses (food, shelter, utilities, etc.) following a job loss

The need to withdraw funds for an emergency purpose must be discussed with WWBC IDA staff as soon as the crisis happens. All withdrawals must be approved by WWBC Staff prior to withdrawal. Any participant who makes unauthorized withdrawals from their IDA account will be removed from the IDA program and forfeit all matching funds.

Participants must save for a minimum of six (6) months before they will be allowed to make ANY withdrawal, even emergency withdrawals. Participants who are unable to continue without withdrawal during this 6-month

timeframe must withdraw the entire balance and close their IDA account immediately. The participant will subsequently be removed from the IDA program.

Participants will only be allowed one (1) emergency withdrawal every twelve (12) months.

If a participant finds it necessary to make an emergency withdrawal he/she must make an appointment to discuss the emergency, amount of funds needed, and the participant must provide a work out plan to redeposit the funds within six (6) months in order to remain in the program. The participant must submit the "Request for Emergency Withdrawal Form" for approval.

Leaves of Absence

Participants who find it necessary to take a Leave of Absence from the WWBC IDA Program must submit the "Request for Leave of Absence Form" and consult IDA Program Staff for prior approval. Leave of Absence is defined as a request for the participant to be relieved of the monthly deposit and/or training program requirement(s) for a specified period of time which is expected to exceed one (1) month and be no longer than six (6) months.

WWBC Program Staff will consider each request individually and will determine the proper course of action. The WWBC will determine if the request for leave is valid and if so the length of leave that will be allowed in order for the participant to return to the program. The WWBC IDA Program Staff will also outline the requirements necessary for the participant to continue participation in the program upon his/her return. If participants do not comply with the terms of their "Leave" as outlined in writing by the WWBC IDA Program Staff, the participant may be removed from the program and will forfeit all matching funds.

Participant Removal or Withdrawal

Participants who do not fulfill the requirements of the WWBC IDA Program, or who voluntarily choose to cease their participation in the program, must withdraw all remaining funds from their IDA account and close the account within 30 days of program removal/withdrawal.

The allocated matched portion of the savings account will not be given to the participant; it will instead be made available to assist other potential IDA participants.

If the participant is removed or chooses to withdraw from the program and wishes to participate in the program in the future, he/she must reapply and his/her application will be considered in the order in which it was received.

Data Collection and Reporting

The WWBC will survey and/or follow-up with participants for up to 3 years following completion of the program to monitor and evaluate continued savings, financial growth, and program effectiveness. The WWBC uses client data for statistical reporting in the aggregate to its funders.

Wyoming Women's Business Center IDA Application

Note: all information provided in conjunction with this application will be held confidential within the Wyoming Women's Business Center, partner organizations and evaluators.

Application Date _____

Applicant Information

First Name Middle Last Name

Birth date (MM/DD/YYYY)

Social Security No

Are you currently a Wyoming Resident? Yes _____ No _____

Mailing Address _____
Street or PO Box City State Zip

Physical Address _____
Street City State Zip

Home Phone Cell Phone Work Phone Email Address

Marital / Housing Status

Marital Status: Single _____
Married _____
Partnered _____
Widowed _____
Separated _____
Divorced _____

Housing: Own _____
Rent _____
Homeless _____
Live with Friend _____
Live with Relative _____
Other _____

Are you a single parent? Yes _____ No _____

IDA Information

What asset are you hoping to save for and purchase? (refer to description on pages 2-4)

_____ Home Ownership through WFHOP
_____ Starting or expanding a small business
_____ Transportation
_____ Credit building and/or improvement

How much could you save every month and still pay for all of your regular expenses (rent, food, gas, utilities, clothes, daycare, etc)? \$ _____

Household Information

How many adults (18 yrs and older) currently live in your household? _____

How many dependent children (under 18 yrs) currently live in your household? _____

Have you been employed in the past 2 years? Yes _____ No _____

Have you ever owned your own business? Yes _____ No _____

Applicant's Assets and Liabilities

Part of determining program eligibility for the WWBC IDA Program is based on an applicant's net worth (assets minus liabilities). Please fill out the following chart and if you have any questions please give us a call.

Assets (Items you Own)	Liabilities (Loans or Debts)
Cash on hand (in home, purse, etc) \$ _____	Credit Card(s) \$ _____
Cash in Checking Accounts \$ _____	Student Loan(s) \$ _____
Cash in Savings Accounts \$ _____	Medical Bill(s) \$ _____
Value of Stocks, Bonds, Investments \$ _____	Outstanding Bill(s) \$ _____
Value of Retirement (401K's etc) \$ _____	Loans Due to Family \$ _____
Value of Primary Car/Truck Owned \$ _____	Primary Car Loan \$ _____
Describe Auto: (Model, Year)	
Value of Other Cars/Trucks Owned \$ _____	Other Auto Loan(s) \$ _____
Describe Autos:	
Value of ATV's/Snowmobiles/Etc. \$ _____	ATV etc, Loan(s) \$ _____
Describe:	
Value of Home if Owned \$ _____	1st Home Loan \$ _____
Value of Business if Owned \$ _____	2nd Home Loan \$ _____
Value of Other Real Estate Owned \$ _____	Other Real Estate \$ _____
Describe other Real Estate:	Business Loan(s) \$ _____
Other Asset(s) Valued over \$250? \$ _____	Describe:
Describe:	Other Loan(s) \$ _____
	Describe:
Total: \$ _____	Total: \$ _____

Applicant Self-Employment Information

Are you operating your own business now? Yes _____ No _____

When did you start your business? _____ (month/year)

What is the name of your business? _____

What product/service does your business provide? _____

What was the net income (sales less all expenses) from your business last year?

_____ \$0 - \$5,000 _____ \$20,001 - \$50,000
_____ \$5,001 - \$10,000 _____ \$50,001 - \$75,000
_____ \$10,001-\$20,000 _____ \$75,001 +

Applicant Employment Information

Are you employed by someone else now? Yes _____ No _____

Are you working:
_____ Part-time _____ # of Hours per Week

_____ Full-time _____ # of Hours per Week

When did you start this employment? _____ (month/year)

Name of Employer Your Job Title / Position

Work Address _____
Street City State Zip

Supervisor Name _____ Phone Number _____

Applicant Other Income / Earned Tax Credit Information

Do you receive any other income? Yes _____ No _____

If yes, from what source? _____

What amount is received? \$ _____ How Often? _____

Did you file a Federal Income Tax Return Last Year? Yes _____ No _____

Were you eligible for the Earned Income Tax Credit? Yes _____ No _____

Have you ever been a recipient of TANF? Yes _____ No _____

Household Monthly Income Summary

List monthly income (before taxes) of all household members. Your household includes all of the people living with you that are your relatives, plus anyone who depends on you for income (like children away at college or elderly family members living in nursing homes) plus anyone you depend on for income (like a spouse) whether or not they live with you. You should count all of these people in the total number of individuals in your household on the previous page.

Source/Description of Income	Total Household \$:
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Self Employment (from business described previously or income from applicant or household members including income from doing laundry, sewing, childcare, etc)

Applicant	\$ _____
Members of Household	\$ _____

Monthly Wages (paid by another to applicant or other members of the household)

Applicant	\$ _____
Members of Household	\$ _____

Government Assistance (please provide monthly income for all household members)

Refugee Assistance	\$ _____
TANF	\$ _____
Food Stamps	\$ _____
SSI or SSD	\$ _____
Social Security Retirement	\$ _____
Unemployment Insurance	\$ _____
Veteran's Benefit	\$ _____
Housing Voucher or Subsidy	\$ _____

Other Sources:

Pensions or Retirement Income	\$ _____
Child Support / Alimony Payments Received	\$ _____
Monthly Cash or Gifts from Friends/Family	\$ _____
Rent Paid to You by Others	\$ _____
Investment / Interest Income	\$ _____
Other (please specify) _____	\$ _____

Are you required to pay child support and / or alimony? Yes _____ No _____

If yes, how much is required for payment each month? \$ _____

