



\*\*\*\*\*  
CTIDA is an e-mail newsletter containing news, information and more about Individual Development Account (IDA) Programs. It is produced by CTE under the auspices of the Connecticut Department of Labor (DOL). To subscribe or unsubscribe, or to give us your comments, questions or suggestions, please contact Marie Hawe at CTE, 34 Woodland Ave., Stamford, CT 06902. Phone (203) 352-4851, Fax: (203) 352-2972, E-mail: [mhawe@ctecap.org](mailto:mhawe@ctecap.org).  
\*\*\*\*\*

June 25, 2008

**IN THIS ISSUE OF CTIDA:**

- 1.) **IDA SUCCESS STORY**
- 2.) **CT LEGISLATURE APPROVES NEW ALLOWABLE ASSET**
- 3.) **STATISTICS ON CT DOL IDA PROGRAMS**
- 4.) **DOL LAUNCHES ACCESS DATABASE FOR STATE IDA PROGRAMS**
- 5.) **IMPORTANT DATES**
- 6.) **NEW CT IDA GRANTS AWARDED**
- 7.) **RESOURCES**
- 8.) **IDA MILESTONES**
- 9.) **DOL IDA WEBSITE**
- 10.) **IDA Q AND A**

\*\*\*\*\*

**1.) IDA SUCCESS STORY**

Rosa Soto, a participant in the Bristol Community Organization (BCO)'s IDA program, recently successfully reached her savings goal and purchased a home. In October 2004, Rosa, a single mother with two young daughters, heard about BCO's IDA program from a friend. She had recently moved to Bristol from New York City and needed to purchase a car to get to work.

After starting in the program, she decided that she would make do with her old car, look for a better job and try to save for a house. And she did just that ! As Rosa learned about budgeting through Financial Education classes at BCO and with the help of BCO staff, she was able to improve her credit score and begin to accumulate savings in her IDA.

Through her hard work and perseverance, Rosa saved the maximum of \$1,500 which earned her \$3,000 in matching funds. This spring Rosa purchased a house in Bristol and will be moving in shortly ! Congratulations, Rosa, and best of luck in your new home !! And congratulations to Lisa Lacko, IDA Program Manager at BCO, and the rest of the BCO staff.



\*\*\*\*\*

## 2.) **CT LEGISLATURE APPROVES NEW ALLOWABLE ASSET**

During the 2008 Legislative session, the Connecticut General Assembly passed Public Act 08-23, which adds an additional allowable asset for IDA programs operating under the CT IDA Initiative. Participants in the Connecticut IDA Program will now be able to save for “the costs of education or job training for a dependent child of the account holder.”

This change brings to six the number of allowable assets that participants in the Connecticut IDA Program can save for:

- 1.) The costs of education or job training;
- 2.) the purchase of a home as a primary residence;
- 3.) the participation in or development of a new or existing entrepreneurial activity;

- 4.) the purchase of an automobile for the purpose of obtaining or maintaining employment;
- 5.) the making of a lease deposit on a primary residence; or
- 6.) the costs of education or job training for a dependent child of the account holder.

The State IDA Regulations will now be rewritten to incorporate the new allowable asset. Program operators will be notified when they can start permitting participants to save for this new asset. Thanks to all those who worked to bring about this important change.

\*\*\*\*\*

### **3.) STATISTICS ON CT DEPARTMENT OF LABOR IDA PROGRAMS**

Here are some statistics on the Individual Development Account Programs operated under the Connecticut Department of Labor, as of September 30, 2007:

- 634 participants had opened an account.
- Total participants' savings amounted to \$538,025.
- \$267,299 of participants' savings were used to purchase assets.
- \$531,573 of matching funds were used to purchase assets.
- A total of 159 assets were purchased:
  - 78 homes
  - 40 post-secondary education
  - 33 small businesses
  - 6 vehicles for employment
  - 2 lease deposits on an apartment

IDA participants continue to save and acquire assets. Thanks to the Connecticut General Assembly, the Department of Labor, and IDA advocates, several new IDA programs have been funded and have begun operating during the past year.

\*\*\*\*\*

### **4.) DOL LAUNCHES ACCESS DATABASE FOR STATE IDA PROGRAMS**

The Connecticut Department of Labor, administrator of the CT IDA Program, has launched a new database which will standardize data collection for IDA programs as well as make it easier for program operators to provide accurate, timely reporting. Currently three programs, but eventually all programs under DOL, will be using the same database.

The database was developed in house by John DiSette of DOL's Performance Management Unit. This new database will enable us to better tell the story of successful IDA programs to all interested stakeholders and funders.

\*\*\*\*\*

## 5.) **IMPORTANT DATES**

- The 2008 Assets Learning Conference, “Advancing America’s Assets Agenda: Expanding Opportunity, Promoting Prosperity and Mobilizing Communities,” will be held on September 11 – 13, 2008 at the Hyatt Regency Crystal City in Washington, D.C. On-line registration is available now. For information about the conference and to register, go to [www.assetsconference.org](http://www.assetsconference.org)

\*\*\*\*\*

## 6.) **NEW CT IDA GRANTS AWARDED**

The Connecticut Department of Labor has announced the awardees of its 2008 CT IDA grants. The ACCESS Agency in Willimantic, CTE in Stamford, CRT in Hartford, New Opportunities in Waterbury and TEAM in Derby will be funded to provide a total of 105 IDA accounts under this program.

\*\*\*\*\*

## 7.) **RESOURCES**

Following are several resources that might be helpful in running your IDA program:

- The Assets Alliance has recently published a White Paper, written by Dan Kornelis, entitled "Maximizing IDA Savings and Match by Leveraging Additional Homeownership Assistance Programs." To access this White Paper and its accompanying Mortgage Analysis Worksheet, go to: [www.assetsalliance.org](http://www.assetsalliance.org)

Successful IDA homeownership programs rely upon an abundance of housing assistance products to complement and leverage their IDA matching grants. Many homebuyers’ matching IDA grants barely cover the closing costs of their first mortgage. Fortunately, an ever-increasing number of local, state and federal programs provide financial aid to low-income first time homebuyers. The challenges for IDA program operators are to recognize affordability gaps, identify affordable housing finance products, and determine how these products can be layered to provide the greatest benefit to the IDA participant.

This excellent White Paper helps IDA practitioners explore the various funding streams available to leverage IDA funds and also provides a

Mortgage Analysis Worksheet to explain how the subsidies can be layered and used in tandem with the IDA funds.

- The FDIC recently released its newest Money Smart curriculum: “Money Smart for Young Adults” (MSYA). MSYA has been designed to address the information needs and learning styles of the teens – 20 age group.

As with all Money Smart products, MSYA is free of charge and without copyright or use restrictions. It is easily copied to your hard drive from the CD-ROM that FDIC provides.

Go to: <http://www.fdic.gov/consumers/consumer/moneysmart/young.html> for more information or to order a copy of the curriculum.

\*\*\*\*\*

## 8.) IDA MILESTONES

This is a newsletter feature where we recognize new employees in the IDA program field, congratulate those who have earned a promotion or new position, bid a fond farewell to colleagues who have moved on to other endeavors, and acknowledge other events in the lives of our colleagues.

- 1.) [Daisy Olivo](#), Supervisor of Energy and Special Projects for New Opportunities, Inc., has taken over the management of the Meriden IDA Program for the agency.
- 2.) Welcome to [Ester Grant-Tinsley](#), new Program Assistant for CTE’s Wealth and Asset Development Center.
- 3.) [Aide Perez](#) has started working as a Program Assistant in The ACCESS Agency’s IDA program.
- 4.) Welcome back to [Elizabeth Hill Bohmier](#) ! Liz left CAFCA several years ago. After spending time raising her family, she is back working on several projects for CAFCA including the IDA program.
- 5.) A fond farewell and best of luck to [David MacDonald](#), CAFCA’s former Director of Communications and Public Policy. David, for many years, was an indispensable part of IDA program administration for the Community Action Agencies’ IDA programs.
- 6.) [Carol Heller](#), Director of Financial Education for the Office of the State Treasurer, has returned to Bank of America. Carol will again be working for BofA in their Community Relations Department. We are grateful for Carol’s steadfast commitment to IDAs and asset-building policies and initiatives.
- 7.) [Tom Bliven](#), IDA Program Assistant with TVCCA, has left that position. It was great working with Tom and we will miss him.

- 8.) [Alejandra Godaire](#), of the IDA program at the ACCESS Agency in Willimantic, has left her position to move to New Haven and pursue other opportunities.

Best of luck to all !! Please contact Marie Hawe at [mhawe@ctecap.org](mailto:mhawe@ctecap.org) if you have any information for the “IDA Milestones” section.

\*\*\*\*\*

## 9.) DEPARTMENT OF LABOR IDA WEBSITE

Reminder! Don't forget to check the DOL IDA website periodically (<http://www.ctdol.state.ct.us/ida/idahome.htm>) for updates, past newsletters, IDA program certification requirements, funding opportunities, and other useful information for IDA program operators. Also on the website is a list of IDA programs in Connecticut and contact information for each. Please check and let us know if there are any changes that need to be made to your agency's listing.

\*\*\*\*\*

## 10.) IDA Q AND A

*Q. When a participant applies to the IDA program, do they have to have some earned income themselves, or can the earned income be from a spouse or another household member?*

A. Eligibility for the IDA program is determined by household income. As long as the household meets the income eligibility limits, any person or persons (up to 2 per household) can be admitted into the IDA program. IDA program operators must be sure to document all earned income in the family so that they can be certain that funds deposited in an IDA are coming from earned income, and not from gifts or funds from other family members.

\*\*\*\*\*

The CTIDA e-newsletter is produced by CTE under the auspices of the Connecticut Department of Labor. To subscribe or unsubscribe, or to receive a printed version of this newsletter, please e-mail Marie Hawe at [mhawe@ctecap.org](mailto:mhawe@ctecap.org).

\*\*\*\*\*