



INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM

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TECHNICAL PROCEDURES TRANSMITTAL NUMBER: 13-02

SUBJECT: Table of Contents
Personally Identifiable Information (PII)
Lump Sum Deposits
Education - Multiple Education Asset Purchases
Local Reserve Fund - Interest Earned in Local Reserve Account

INSTRUCTIONS FOR UPDATING THE MANUAL:

Remove and Recycle	Insert
Section 1000 - Table of Contents (first page only)	Updated Section 1000 - Table of Contents (first page only)
Section 1500 - Calendar Year Savings	New Section 1500 -- Personally Identifiable Information (PII)
Section 1600 -- Lump Sum Deposits	Updated Section 1600 -- Lump Sum Deposits
Section 1750 - Education - Multiple Education Asset Purchases	Updated Section 1750 - Education - Multiple Education Asset Purchases
Section 1800 - Local Reserve Fund - Interest Earned in Local Reserve Account	Updated Section 1800 - Local Reserve Fund - Interest Earned in Local Reserve Account

DISPOSITION: This technical manual transmittal should be retained for reference.

ISSUANCE DATE: August 26, 2013

RESPONSIBLE UNIT: Welfare to Work Unit (860) 263-6794

DISTRIBUTION: IDA Technical Manual Distribution

**DEPARTMENT OF LABOR
INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM
TECHNICAL POLICY MANUAL**

Date: 08-26-2013	13-02	Section: 1000
Topic: Table of Contents and Appendices		

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Date: 08-26-2013	13-02	Section: 1500
Topic: Personally Identifiable Information (PII)		

Personally Identifiable Information (PII)

The Connecticut Department of Labor requires all IDA program operators to protect the confidentiality of any Participant data categorized as Personally Identifiable Information (PII).

PII is defined as information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or can be linked to a specific individual. See OMP Memorandum M-07-17, dated 5/22/07, for more information: <http://www.whitehouse.gov/sites/default/files/omb/memorandum/fy2007/m07-16.pdf>

There are two types of PII:

Protected PII: This is information that, if disclosed, could result in harm to the individual whose name or identity is linked to that information (e.g., Social Security numbers, credit card and bank account numbers, home addresses, home telephone numbers, ages, birthdates, marital status, spouses' names, educational history, biometrics (fingerprints, voice prints, etc.) medical history, financial information, computer passwords, etc.).

Non-Protected PII: This is information that if disclosed, by itself, could not reasonably be expected to result in personal harm (e.g., first and last names, e-mail addresses, business addresses, business telephone numbers, general education credentials, gender, race, etc.). However, depending on the circumstances, a combination of several items of Non-Protected PII could potentially be categorized as Protected PII.

ALL Protected PII must be handled in a manner that will:

- Protect the confidentiality of the data
- Prevent unauthorized persons from retrieving such data by computer, remote terminal, or any other means. (Data may not be downloaded to, or maintained on, portable storage or mobile devices.)

An IDA grantee will be held in non-compliance if they fail to comply with the requirements governing Protected PII and/or improperly use or disclose PII for an unauthorized purpose.

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Topic: Personally Identifiable Information (PII)		

Personally Identifiable Information (PII) continued

Failure to comply with the requirements may result in one or more of the following consequences:

- The termination or suspension of the grant
- The imposition of special conditions
- Any such other actions that the Connecticut Department of Labor may deem necessary to protect the privacy of participants or the integrity of the data

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Date: 08-26-2013	13-02	Section: 1600
Topic: Lump Sum Deposits		

Lump Sum Deposits

The IDA program is a long-term savings program to help participants change (or start) savings behaviors and habits as well as to fix and repair credit issues, etc. These things take time. A regular deposit of earned income into an IDA account on a monthly basis in accordance with the Savings Plan Agreement is the primary focus of the IDA program. The only time that a lump sum can be deposited in an IDA is if the funds are from a participant's EITC refund. The Department does not endorse (or allow) the practice of annual EITC deposits as the only deposits to meet the program goal of asset purchase.

Please Note: EITC lump sum deposits will not be allowed for participants that are not in compliance with their monthly savings goal as agreed to in their Savings Plan Agreement.

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Date: 08-26-2013

13-02

Section: 1750

Topic: Education - Multiple Education Asset Purchases

Multiple Education Asset Purchases

An IDA participant can take multiple matched withdrawals to pay for on-going educational expenses (i.e. tuition, fees, books, supplies and equipment).

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Date: 08-26-2013	13-02	Section: 1800
Topic: Local Reserve Fund - Interest Earned in Local Reserve Account		

Interest Earned in Local Reserve Account

The Connecticut IDA regulations require that matching funds be made on behalf of each individual account holder up to two dollars for every one dollar deposited in the individual development account by the account holder, not to exceed \$3,000 per account holder for the duration of the account holder's participation in the program. It is policy that the interest participants earn on the funds they deposit into their IDAs should also be matched. For example, if a participant in a 2:1 program saves up to \$1,500, the interest earned on the savings will be matched 2:1 as well as the savings amount. In a 1:1 program, the interest on a participant's savings up to \$3,000 will be matched 1:1 as well as the savings amount.

Interest attributable to IDA matching contributions does not compound over time, but is assessed as a "point in time" calculation upon withdrawal for asset purchase.

To Summarize:

- If a participant has direct deposit, you must be sure that the amount going into their account will not exceed \$1,500 if they are in a 2:1 program (or \$3,000 if they are in a 1:1 program).
- If a participant deposits more than \$1,500 into their IDA in a 2:1 program (or \$3,000 in a 1:1 program), you must have them remove the excess. Urge the participant to open up a savings account in their own name and deposit the extra money there. (It is always a good idea for IDA participants to have an extra savings account that they can use for emergencies or for additional expenses associated with their asset purchase.)

With regard to interest earned in local reserve accounts:

Interest income on CT IDA grant funds and non-state contributions deposited into Local Reserve Funds (that will not be used to match the interest on the participants' IDAs) shall be used to benefit IDA programs and participants/account holders in such programs.

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Interest Earned in Local Reserve Account continued

Examples of uses that benefit IDA programs and participants/account holders include but are not necessarily limited to: provision of childcare and meals during financial education classes and Savings Club meetings; payment of stipends to guest speakers for financial education and Savings Clubs; provision of emergency loans for crisis interventions that prevent withdrawals of IDA savings or from IDA programs; and payment of program costs to ensure continuance of participant/account holder support throughout the duration of the program, such as case management costs or other direct service costs.

It is understood that the amount of interest available for program or administrative uses decreases as savings goal achievements and asset purchases increase.