



## PROGRAM ELIGIBILITY REQUIREMENTS AND GUIDELINES

### ELIGIBILITY REQUIREMENTS

1. Applicants must be of Native Hawaiian ancestry to participate.
2. Applicant's household must have earned income that can contribute to minimum monthly savings deposits while in the IDA program, which includes all income and wages received from working and self-employment.

#### 2011 HHS Poverty Guidelines – Hawai'i

Persons in Family or Household	150% Poverty Level
1	\$ 18,810.00
2	\$ 25,395.00
3	\$ 31,980.00
4	\$ 38,565.00
5	\$ 45,150.00
6	\$ 51,735.00
7	\$ 58,320.00
8	\$ 64,905.00
For each additional person, add	\$ 4,390.00

SOURCE: *Federal Register*, Vol. 76, No. 13, January 20, 2011, pp. 3637-3638

3. Household – The term "household" means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

### SAVINGS GOALS

#### Homeownership

Savings can be used to assist the individual in a first home purchase. Eligible expenses include the costs of acquiring, constructing, or reconstructing a residence as well as any usual or reasonable settlement, financing, down payment on a mortgage, insurance or other closing costs. The savings cannot be used for rent, utilities or furniture/appliances, among other expenses.

#### Post-Secondary Education

Savings can be used for tuition and fees required for enrollment or attendance at eligible institutions of higher education, including colleges, universities, and technical, vocational and trade schools. This also includes books, supplies, equipment, certification, and licensing required for the courses of instruction. The savings cannot be used for room, board, or travel, among other expenses.

#### Small Business Start-up/Expansion

Savings can be used for the establishment, development, and capitalization of a business. This may include licensing, tools, equipment, supplies, working capital, marketing, research and development. The savings cannot be used for debt, rent, utilities, travel, meals, or reimbursements, among other expenses.

### **Green Appliances**

Savings can be used for personal solar water heaters, solar fans, and energy star appliances. The savings can also be used for the purchase and installation of equipment.

### **Rental Security Deposit/First Month's Rent**

Savings can be used for rental security deposit and first-month rent. The IDA participant must be on the rental/lease agreement to ensure the asset goal has been met.

### **Vehicle Purchase**

Savings can be used for the down payment of a new or used vehicle. The vehicle must be purchased at a dealership and the vehicle must be registered in the name of the IDA participant. The savings can also be used for vehicle insurance. No private party sales.

### **Employment Enhancement**

Savings can be used toward supportive services for employment such as bus passes, union/initiation fees, tools and equipment required for employment. Savings can only be utilized if the participant cannot receive supportive services for similar items from ALU LIKE, Inc.'s Employment & Training Program.

*A designated ALU LIKE, Inc. staff must approve all asset goals. Each participant may have only one asset savings goal at a time.*

## **MATCH RATES AND AMOUNTS**

### **Homeownership**

### **Post-Secondary Education**

### **Small Business Start-up/Expansion**

### **Green Appliance**

### **Vehicle Purchase**

### **Rental: Security Deposit**

### **Rental: First Month's Rent**

### **Employment Enhancement**

ALU LIKE, Inc.'s OHA IDA offers a 2 to 1 match rate. For every dollar saved in an IDA, that dollar is matched with \$2.00. Each participant will be encouraged to save more, but only the participant's first \$500.00 of savings will be matched. A maximum match any participant may receive is \$1,000.00.

## **PROGRAM REQUIREMENTS**

1. Each individual will be required to complete intake and assessment forms, along with a savings plan agreement that specifies the individual's asset goal and savings goal as well as roles and responsibilities of the individual and ALU LIKE, Inc.
2. Each individual is required to complete a series of personal money management classes prior to receiving any matching funds. Household family members are encouraged to attend these classes with the individual.
3. Each individual is required to complete a class related to his/her asset goal prior to receiving any matching funds.
4. The individual will be working with a designated case manager throughout the duration of the individual's participation in the IDA program.
5. The individual development account will be opened in the name of the individual at a specified Financial Institution. ALU LIKE, Inc. will assist the individual in opening the account.
6. The money deposited by the individual must be from household earnings or a lump sum Earned Income Tax Credit (EITC) deposit, tax return/refund.
7. The individual must set a target monthly savings goal of a minimum of **\$25.00** and deposit that amount into the account on a monthly basis. The target amount will be mutually agreed upon by the individual and case manager and included in the savings plan agreement. The savings plan agreement may be amended from time to time.
8. The individual will be allowed 2 missed deposits. After an individual misses more than 2 deposits, he/she will be discharged from the program. The participant will either convert the IDA account to a regular savings account or close the IDA account. All matched funds will be forfeited.

9. **Minimum Term - The minimum savings period is 3 months. No match or withdrawal can be made before the minimum savings period is met.**
  10. **Maximum Term - The maximum savings period is 9 months or before June 5<sup>th</sup>, 2012 whichever comes first. The savings goal must be attainable before June 30, 2012. Individual's deposits made after June 5<sup>th</sup>, 2012 will not be matched.**
  11. The "grace period" – the time between the end of the savings period and the time when the asset is purchased - will be determined on a case-by-case basis.
  12. A minimum of **\$25.00** is required to be deposited upon IDA opening.
  13. In a qualified emergency, the individual, upon the recommendation of his/her case manager and with the approval of the Program Administrator, will be allowed to withdraw funds from his/her own account. The individual shall reimburse the account for any withdrawn funds before requesting a match, and no longer than 2 months after the emergency withdrawal. The balance in the individual's account at the time of match request will be the only amount matched. **No withdrawals can be made within the first 3 months of account opening.**
  14. Qualified emergency withdrawals are allowed only for the following:
    - Expenses for medical care or expenses necessary to obtain medical care for the participant, a spouse, or dependent(s);
    - Payments necessary to prevent the eviction of the individual from the residence of the individual, or foreclosure on the mortgage for the principal residence of the individual;
    - Payments necessary to enable the individual to meet necessary living expenses following loss of employment.All other withdrawals are considered unauthorized.
  15. Individuals making unauthorized withdrawals will be discharged from the program.
  16. Requests for match withdrawals must be made to the individual's case manager at least two weeks before the funds are needed.
  17. Matching funds will be paid from ALU LIKE, Inc. directly to a vendor. (i.e. college admissions, escrow company, etc.) The release of matching funds will be contingent upon the successful completion of savings goal, other program requirements, and the appropriate release forms by the participant.
  18. Once the account is closed, the individual may be contacted quarterly for up to two years for follow-up assistance and reports.
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