

	<b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES CHILD WELFARE POLICY MANUAL</b>			
	<b>Chapter:</b>	(13) Independent Living Program	<b>Effective Date:</b>	January 2015
	<b>Policy Title:</b>	Individual Development Accounts (IDA)	<b>Previous Policy #:</b>	1012.4
<b>Policy Number:</b>	13.5			

<b>CODES/REFERENCES</b>
-------------------------

N/A

<b>REQUIREMENTS</b>
---------------------

The Division of Family and Children Services (DFCS) shall:

1. Offer any youth that meets the eligibility requirements the option to open a matched savings account known as the Individual Development Account (IDA). The purpose of the IDA is to assist eligible youth, in or out of foster care, with the accumulation of assets and resources needed for independent living. To qualify for the IDA, youth must meet the following eligibility criteria:
  - a. Be enrolled in the Georgia Independent Living Program (ILP)
  - b. Be between 16 to 21 years of age;
  - c. Qualify to open a banking account (i.e., meet the financial institution’s identification and previous banking history requirements); and
  - d. Participate in an IDA orientation and financial literacy training.
2. Match up to \$1,000 of a youth’s deposits for qualified asset purchases.
 

**NOTE:** The DFCS match component of the IDA is determined based upon the availability of funding. If match funding is not available, existing participants will be notified in writing, and future participants will be notified during the IDA sign-up process. If funding becomes available later, participants will be informed in writing at that time of the new availability of matching funds.
3. Allow eligible youth to make emergency withdrawals of IDA funds that are not qualified asset purchases on a case-by-case basis. Emergency withdrawals shall only include funds deposited by the applicable youth and shall not include any DFCS matching funds.
4. Periodically review the participation of youth enrolled in the IDA program to determine their level of engagement.

**NOTE:** The ILP Business Operations Specialist (BOS) shall exercise administrative oversight authority over Individual Development Accounts.

<b>PROCEDURES</b>
-------------------

**Determining Eligibility for an IDA and Enrollment**

The Social Services Case Manager (SSCM) or Independent Living Specialist (ILS) will:

1. Verify that the youth is between the ages of 16-21, and enrolled in the Independent Living Program;
2. Confirm that the youth satisfies the requirements of the financial institution, including the following:

- a. The youth possesses documents that are accepted as verification of his or her identity such as a government issued photo ID card or Driver's License, etc. If the youth does not possess proper identification, DFCS must assist the youth with obtaining a valid state identification card (see Georgia's Department of Driver Services' website for information on how to obtain a state identification card).
- b. The youth has a satisfactory previous banking history, if applicable.
3. Confirm that the youth has attended the required IDA orientation and Financial Literacy Training.
4. Assist the youth with opening an IDA at an authorized financial institution.
5. Provide the ILP BOS with the required bank account information within five business days of verifying the youth has completed all IDA enrollment requirements.

The ILP Business Operations Specialist (BOS) will:

1. Provide an IDA Award Letter to eligible youth, the youth's SSCM, and the ILS within five business days of receiving the banking information and verification of eligibility.
2. Assign a Survey ID to eligible youth which enables youth to participate in the Opportunity Passport Baseline Survey.

### **Account Matching Procedures**

To initiate the request for DFCS to match their deposits eligible youth must complete an Asset Purchase Intent Form and submit the form to their ILS or SSCM.

Within five business days of receipt of the Asset Purchase Intent Form from the youth, the ILS will:

1. Verify the youth's bank account has been open for at least three months;
2. Verify at least \$5.00 has been deposited into the youth's bank account monthly for at least the last three consecutive months prior to the request;
3. Verify that there is a balance of at least \$250 in the youth's bank account;
4. Forward each approved Asset Purchase Intent Form to the ILP BOS within 72 hours of completing the verification process.

Within five business days of receiving the approved Asset Purchase Intent Form, the ILP BOS will:

1. Inform the youth's banking institution that the youth is eligible for DFCS to match IDA funds; and
2. Ensure the appropriate documentation is provided to the youth and the banking institution.

### **Emergency Withdrawal Procedures**

To initiate a request for an emergency withdrawal from their IDA account, eligible youth must:

1. Contact the ILS to discuss the emergency;
2. Provide a specific explanation as to why the emergency funds are needed; and
3. Identify other resources that were explored prior to making an emergency withdrawal request.

Upon receiving an emergency withdrawal request from a youth the ILS will:

1. Discuss the emergency withdrawal request with the youth and remind the youth that DFCS does not match funds in emergency withdrawal situations;

2. Verify that the request is a legitimate emergency and that the youth has explored other options prior to requesting emergency funds from their IDA account;
3. Assist the youth with identifying and exploring other resources to assist in meeting his or her needs prior to approving the emergency withdrawal request.
4. If the emergency withdrawal is deemed appropriate, notify the ILP BOS of the specific amount that is approved for withdrawal. Emergency withdrawals may be approved for day-to-day living expenses such as food, bills (in the youth's name), prescriptions for the youth or the youth's child, clothing for school or work, etc.

When contacted by the ILS with an approved request for an emergency withdrawal of IDA funds, the ILP BOS will:

1. Inform the appropriate banking institution that the youth has been approved to withdraw funds, including the specific amount that has been approved for withdrawal from the IDA account; and
2. Provide the bank and youth with the appropriate documentation to release the funds.

### **Monitoring Youth's Participation in the IDA Program**

During periodic reviews of a youth's engagement in the IDA program the SSCM or ILS will:

1. Discuss IDA contributions and/or withdrawals during monthly contacts, as part of the Written Transitional Living Plan (WTLP) discussion, or at other meetings.
2. For youth ages 18-21 who are not participating in the EYSS program, contact the youth at least every six months to discuss the youth's contributions and/or withdrawals to their IDA account;
3. Contact the ILP BOS at least every six months to discuss the balance in the youth's IDA bank account and any contributions or withdrawals that occurred during this period; and
4. Document the youth's participation, level of engagement and IDA account status in Georgia SHINES, the Statewide Automated Child Welfare Information System.

In order to allow as many youth as possible to actively participate and benefit from the IDA program, the ILP BOS will:

1. Review the IDA program participant rolls at least once per year to determine if current enrollees are actively engaged in the program and contact their SSCM or ILS if participation issues are noted.
2. Remove IDA program participants from the active roster and ensure their IDA is closed if any of the following has occurred:
  - a. A youth has reached their savings or asset purchase goals;
  - b. DFCS has met the match contribution maximum of \$1,000;
  - c. A youth has not made a deposit beyond DFCS participation incentive funds for nine months after the account was opened;
  - d. A youth has kept an account open for at least nine months with no deposit activity in the most recent six consecutive months.
3. Mail a certified to the last known address of the youth to inform them of their account status and offer an opportunity to discuss the account status prior to the closing of the account;
4. Update the records, file all correspondence into the participant's file, and proceed with closure of the IDA if the youth does not respond to the certified letter within 30 calendar days, or notifies the ILP BOS of their desire to proceed with closing the IDA.

**NOTE:** Youth who are removed from the active participation roster are not eligible to re-

enter the IDA program for a period of at least one year. However, they maintain access to the funds in their account after the closure of the IDA.

## **PRACTICE GUIDANCE**

### **Overview of the Individual Development Account Program**

The IDA program helps eligible youth, that are either in or transitioning from foster care, to accumulate assets. The IDA helps ensure they have the resources needed to begin living on their own as adults. The IDA is established at a financial institution within the community and is opened in the name of the youth. The account earns interest, usually at the bank's savings rate. Withdrawals from the account may only occur with the approval of the IDA administrator, which is the ILP BOS.

As the administrator for the IDA program in Georgia, the ILP BOS is responsible for monitoring the program's activities, tracking participation at orientations and financial literacy trainings, processing match and incentive funds, and all other administrative functions of the program. The SSCM and ILS are responsible for informing eligible youth about the benefits of the IDA program, supporting their participation and trouble-shooting any issues with opening bank accounts, making regular deposits, understanding asset purchase requirements or requesting matches.

ILP encourages all enrolled youth to participate in the IDA program to the fullest extent possible. However, some participants are unable to continue their participation or become disinterested in continuing the program for a variety of reasons. When youth reach their savings or asset purchase goals, or discontinue participation in the IDA program, the IDA is closed with DFCS. However, the youth maintains access to the remaining funds in their account.

### **Individual Development Account (IDA) Asset Goals**

The goal of the IDA program is to help youth transitioning to adulthood to accumulate the assets they will need to become self-sufficient. The IDA program accomplishes this by presenting opportunities for youth to obtain matching funds from DFCS (up to \$1,000) to reach savings or asset goals. When determining if an asset goal is an acceptable for the Georgia ILP IDA program, two general guidelines are applied:

1. Economic self-sufficiency: the goal should enable participants to sustain themselves as they transition to self-sufficiency.
2. Value appreciation: Investment goals should likely increase in value, or provide enhanced usage for the youth, over time.

When youth become eligible to participate in the IDA program, they indicate which asset they plan to purchase with the funds in their IDA on the Georgia Youth Opportunities Initiative Application. Once the youth has saved their portion of the cost of the asset, the youth must complete the Asset Purchase Intent Form, which describes the specific asset for which the youth is requesting matching assistance to purchase.

Common asset purchases qualifying for DFCS matching funds include, but are not limited to:

1. Purchasing a vehicle;
2. Car Insurance/Repairs;
3. Investments;
4. Housing;

5. Educational expenses;
6. Health and dental care;
7. Microenterprise; and
8. Credit building.

The ILP BOS may approve matching funds for assets not listed above, on a case-by-case basis.

### **IDA Orientation**

The orientation required for IDA eligibility includes:

1. An overview of the application process and legal documentation requirements such as a government issued photo ID card or Driver's License; (Youth must bring their ID to the orientation if available);
2. Discussions around the youth's commitment to and understanding of the IDA savings/matching process;
3. The process for opening a bank account, including the financial institution's account opening requirements and record check systems such as the CHEXSystem reporting service. Youth that are identified in the CHEXSystem as having a negative banking record must attend a class offered by the banking institution in order to resolve the negative banking history prior to enrolling in the IDA program.
4. Expectations regarding financial literacy training, and options for attending upcoming training courses;
5. Explanations of financial incentives provided at various checkpoints during the participation in the IDA program;
6. IDA specifics, such as the amount and frequency of deposits, desired goal amount (maximum), purpose of the account, matching fund ratio, authorized withdrawal purposes, and beneficiary information;
7. Developing a plan to open a bank account within 30 calendar days of the completion of the IDA orientation; and
8. Completion of the Georgia Youth Opportunities Initiative Application.

### **Participation Incentives (See COSTAR Manual for specifics and official amounts)**

In addition to matching youth deposits, incentive dollars can be earned by the youth and deposited into their respective IDA. Incentives include the following:

1. Financial Literacy Training Incentive;
2. IDA Savings account match;
3. Seed Payment
4. IDA Survey Incentives
5. IDA Incentives

### **Opportunity Passport Surveys**

The IDA program is a component of the Georgia Youth Opportunities Initiative (GYOI). Along with participants in other states Georgia ILP youth participating in the IDA program will complete surveys as a part of the national database. The purpose of the surveys is to learn more about the impact of the program and whether it has made a difference to participants in the areas of permanency, education, employment, financial capability, housing, physical and mental health, and social capital. Surveys are administered online at the time of enrollment into the program (baseline) and twice a year thereafter.

## Applying for a State of Georgia Identification Card

To meet eligibility requirements for opening a bank account a government issued picture identification document is required. To obtain a State of Georgia Identification Card the youth will need to supply:

1. Proof of his/her identity (1 document), such as:
  - a. Valid U.S. passport;
  - b. U.S. birth certificate (issued by the *Office of Vital Statistics* or equivalent); or
  - c. Certificate of Birth Naturalization (N-550/N-570) issued by the Department of Homeland Security (DHS).
2. Proof of Georgia residency (2 documents), such as:
  - a. Utility bill issued within 60 days;
  - b. Financial statement (bank, credit card, etc.);
  - c. Current rental agreement; or
  - d. If the youth is a dependent and cannot prove residency, the Georgia Department of Drivers Services (DDS) will also accept:
    - i. A State or Federal income tax return for the current or preceding year (listing the youth as a dependent); or
    - ii. School transcript with the youth's residence shown
3. Proof of Social Security number (1 document), such as:
  - a. Social Security card (original or copy);
  - b. W-2 form; or
  - c. Social Security denial/refusal letter.

### FORMS AND TOOLS

[Asset Purchase Intent Form](#)

[Field Fiscal Services COSTAR Manual Section 3005 ILP: 582 Individual Development Account \(IDA\) Program \(Chafee\) Federal](#)

[Georgia Youth Opportunities Initiative Application](#)

[Georgia Department of Driver Services](#)