

Primary Differences in Individual Development Account (IDA) Requirements By Funding Source

	IDA FUNDING SOURCE		
	Assets for Independence (AFI) Grant Funds	Tribal TANF Funds	Private Funds (Tribal funds, partner org, etc.)
IDA Participant Eligibility Limitation	ELIGIBLE FOR TANF CASH ASSISTANCE <i>OR</i> <200% FPL AND NET WORTH < \$10,000	MUST BE "NEEDY" AS DEFINED BY TRIBAL TANF PROGRAM May differ from definition of "needy" to receive TANF cash assistance	NO EXTERNAL LIMITATION ON ELIGIBILITY Determined by entity operating IDA program
IDA Asset Purchase Limitation	1) PURCHASE OF FIRST HOME 2) POST-SECONDARY EDUCATION 3) BUSINESS CAPITALIZATION	ANY ASSET REASONABLY CALCULATED TO ACHIEVE ONE OF THE FOUR STATUTORY PURPOSES OF TANF*	NO EXTERNAL LIMITATION ON ASSET PURCHASE Determined by entity operating IDA Program
IDA Match Rate Limitation	BETWEEN 1:1 AND 8:1	NO EXTERNAL LIMITATION ON MATCH RATE Determined by Tribal TANF Program	NO EXTERNAL LIMITATION ON MATCH RATE Determined by entity operating IDA Program
Maximum IDA Match Amount	<u>FEDERAL</u> MATCH LIMITED TO \$2,000/PERSON, \$4,000/PERSON Agency match may exceed this amount	NO EXTERNAL LIMITATION ON MATCH AMOUNT Determined by Tribal TANF Program	NO EXTERNAL LIMITATION ON MATCH AMOUNT Determined by entity operating IDA Program
Required Source of Participant's Savings	EARNED INCOME	EARNED INCOME	NO EXTERNAL REQUIREMENT Determined by entity operating IDA Program
Financial Education Requirement	YES	NO No requirement, but highly encouraged for client success	NO No requirement, but highly encouraged for client success
IDA Administrative Cost Limitation	15% LIMIT FOR PROGRAM OPERATION COSTS	NEGOTIATED TRIBAL TANF ADMIN RATE APPLIES	NO EXTERNAL LIMITATION ON ADMINISTRATIVE COST Determined by entity operating IDA Program
Minimum Savings Period	MUST SAVE AT LEAST SIX MONTHS TO RECEIVE MATCH	NO EXTERNAL REQUIREMENT FOR MINIMUM SAVINGS PERIOD Determined by Tribal TANF Program	NO EXTERNAL REQUIREMENT FOR MINIMUM SAVINGS PERIOD Determined by entity operating IDA Program
Application Process	YES Application submitted to ACF Office of Community Services and reviewed by a panel of experts in IDAs and implementation	NO No application, but IDAs must be in Federal Tribal TANF Plan	NO

Sources: AFI information compiled by OCS Consultant Thomas Jensen. Tribal TANF information compiled by Jack Granberg (ACF) from Tribal TANF Regulations at 45 CFR 286.40, and the ACF IDA Q&A located at <http://www.acf.hhs.gov/programs/ofa/polquest/idas.htm>

***Please note:** A Tribe's spending decisions and resultant expenditures for TANF benefits and services must be supported with a rationale explaining how such benefits and services are reasonably calculated to accomplish one or more of the statutory purposes of the TANF program. Any pertinent evidence of this linkage needs to be carefully developed as this could be examined during the single audit and the Tribe's determination may need to be defended against an assertion that it was a misuse of funds. Reasonably calculated to accomplish one of the TANF purposes requires more than just a tenuous connection between the service and the statutory purpose the Tribe identifies.