



To: Individual Development Account Administrators
From: Community Programs Division
Release Date: April 9, 2020
Effective Date: April 9, 2020
Subject: COVID-19 Response

Program Guidance: IDA-020-01

In response to the ongoing COVID-19 pandemic, beginning April 9, 2020 the following guidance will be enforced until 60 days after the Governor's Stay-at-Home order ends, at which point original program rules apply:

IDA Applications

As a part of the application process, IDA Administrators need only collect the following four documents in order to accept an individual into the program:

- IDA Participant Application
- Documentation for income for entire household, including proof of applicant's earned income
- Zero Income Affidavit, if applicable, for relevant household members
- The 'No Previous IDA Account Affidavit,' signed by the applicant and all their household members for IDA018, IDA019 and IDA016FT awards

For administrators that are not meeting with applicants in-person, copies of these documents may be collected via mail or email. A signature is not required if the documents are returned via email, but the return email to the Administrator **MUST** include the following statement: "I have read the attached documents, the information contained in them is accurate and I will comply with the terms contained within them." That email must then be saved with the documents in the participant's file.

These documents **MUST** be collected within 60 days of each other in order to be considered a completed application package; an applicant may **NOT** move forward in the program without submitting all of the above documents.

If collecting these documents via email, Administrators should advise applicants to **NOT** share their social security number at this point in the application process; that can be collected later in a more secure manner.

As for the rest of the participant application:



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- Documentation validating state residency
- A copy of their credit score
- Documentation validating Social Security Number for all household members, except under IDA019, which only needs the participant's number validated
- A copy of their credit report for IDA016FT, IDA018, IDA016 and IADA015 awards

These documents must be collected by the Administrator within 60 days of the Stay-at-Home order ending, if not before. IDA Administrators ensure that participants understand that failure to provide any of the above documents in the timeframe allowed WILL lead to termination from the program.

IDA Savings Plan Agreement

Similar to the IDA Application and Affidavits, the Savings Plan Agreement must be completed by the participant after they have been accepted into the program and can be mailed or emailed back to the IDA Administrator.

If handling the Savings Plans Agreement over email, the Administrator MUST include the following statement when emailing a copy to the participant: "I have read the attached document, the information contained in it is accurate and I will comply with the terms contained within it." Once the participant completes the document and emails it back to the Administrator, the participant MUST include the same statement in the return email. Those emails must then be saved with the Savings Plan Agreement in the participant's file.

The Savings Plan Agreement MUST be completed before any IDA savings account is opened for a new participant.

IDA Participant Deposits

If a participant agreed to regular deposits as a part of their SPA and can no longer meet that obligation due to COVID-19, Administrators are encouraged to work with that participant and create a solution, which may include amending the SPA.

Some IDA Manuals and older versions of the SPA include language about terminating a participant if they miss three or more deposits in a row; Administrators may now disregard that language, and continue to keep that participant in the program, as long as they meet all other program requirements and deadlines.

IDA Emergency Withdrawals

IDA Administrators are now **required** to allow Emergency Withdrawals for IDA Participants that request them. An Emergency Withdrawal is when a participant withdraws funds from their personal savings account (NOT their match account) to such things as:

- To prevent eviction
- To prevent foreclosure on an IDA participant's primary residence
- To pay for medical care expenses or obtain medical care for the IDA participant, his or her spouse, or a dependent of the IDA Participant
- To pay critical living expenses such as food supplies or heating expenses for the IDA participant following loss of employment

The above list is not an exhaustive list of allowable uses for an Emergency Withdrawal, and Administrators may use their discretion in approving withdrawals for other crisis-related situations.

The following rules still stand in regard to Emergency Withdrawals:

- Savings must be repaid within 12 months in order to remain in the IDA program
- While funds are being repaid, match claims are prohibited
- While funds are being repaid, asset-purchase withdrawals are prohibited

Reassigning Participants

Administrators have the option to reassign participants from an older AFI or State grant to a newer AFI or State grant, if the Administrator has a newer award with unused accounts. Administrators must seek IHCDCA approval for all reassignments for participants that are currently on an IDA015, IDA016 or IDA016FT award; one reassignment each under IDA018 and IDA019 is allowed without IHCDCA approval, but all subsequent reassignments must have IHCDCA approval. Even if IHCDCA approval is not required, Administrators are highly encouraged to reach out to IHCDCA staff to let them know about the reassignment; this will give IHCDCA staff an opportunity to ensure the Administrator correctly follows the reassignment process.

One of the criteria for approving a reassignment is that the participant has not already been reassigned. This criterion is no longer required to be met for any participant that is currently affected in some way by COVID-19. All other requirements for approving a reassignment must be met.

Administrators are still encouraged to work with participants to avoid reassignment when possible, as it is an administratively burdensome process and may change the amount a participant has to save or be matched; this is an option that should only be used if a participant absolutely cannot meet their savings goal by the end of their current award period but definitely can in a later award period.

Please direct all questions regarding this guidance to Veronica Watson at ida@ihcda.in.gov.