

# Asset Building: A Hand Up Out of Poverty for Homeless Veterans

Fact Sheet #7

## What is asset building?

Asset-building is an anti-poverty strategy that helps low-income people move toward greater self-sufficiency by accumulating savings - and purchasing long-term assets. For homeless veterans, asset-building can greatly increase the motivation to seek and retain employment .

## What is the Assets for Independence Program?

The Assets for Independence Program is a Federal program that provides funding to organizations offering Individual Development Accounts (IDAs) to enable low-income individuals and families to save toward the purchase of a first home, enrolling in an educational or training program, or starting a small business. Each dollar that the participant saves is matched by up to \$8 from federal, state, local, and private funds.

## What are the Individual Development Accounts?

Individual Development Accounts, or IDAs, are special matched savings accounts designed to help low-income people accumulate savings for investment in a long term asset. Every dollar in savings deposited into an IDA by participants is matched by the AFI project, promoting savings and enabling participants to acquire a lasting asset. Emergency withdrawals of the participant's contributions to the IDA are allowed for medical care for the participant or an immediate family member, preventing eviction or foreclosure, or necessary living expenses following loss of employment.

## Who is eligible for services?

Eligible individuals include the following:

- Individuals who are eligible for the Temporary Assistance for Needy Families (TANF) or the Federal Earned Income Tax Credit (EITC);
- Individuals and families with income less than two times the Federal poverty line; and
- Individuals and families having no more than \$10,000 in net asset wealth when they enroll in an AFI Project (not including one automobile and a home).



Virginia Commonwealth  
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## What are some of the advantages of asset building?

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In addition to the accumulated savings and assets that individuals and families receive, they also experience other personal benefits, such as:

- A demonstrated orientation toward the future,
- A decrease in marriage dissolution,
- Improved housing stability,
- Improved health and well-being,
- Increased civic and community involvement, and
- Decreased rates of transfer of poverty to the next generation.

## How can I learn more about AFI programs in my area?

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Contact the local AFI agency project manager in your area for information about what they do and how you can enroll in their programs. A list of programs by state can be found at the AFI Project Locator site located at [www.acf.hhs.gov/programs/ocs/afi/states.html](http://www.acf.hhs.gov/programs/ocs/afi/states.html)

## What if there are no projects in my area?

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If there are no projects near you, or if you would like more information, contact the Administration for Children and Families at [AFIprogram@acf.hhs.gov](mailto:AFIprogram@acf.hhs.gov).

## Who manages the Assests for Independence Program?

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The Administration for Children and Families (ACF) Office of Community Services (OCS) within the Department of Health and Human Services (HHS) manages the Assets for Independence Program. The OCS issues AFI Project grants annually, in keeping with legislative authority and appropriations. The office currently supports more than 200 agencies and community-based AFI projects across the United States. More information about grant funding can be found at <http://www.acf.hhs.gov/programs/ocs/afi/applying.html>

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