

Using Data in the IDA Initiative: Debrief Report of the 2015 IDA Data Roadshow

Oregon's Individual Development Account (IDA) Initiative regularly uses data to monitor and report on its reach and impact. In Fall 2015, we at Neighborhood Partnerships, the nonprofit that manages the IDA Initiative on behalf of the State of Oregon Department of Housing and Community Services, compiled the most recent data available and presented it at a series of public meetings around the state.¹ Our purpose was to provide an updated status report on program performance and outcomes, and engage community stakeholders in reviewing the data, reflecting together on its meaning, and discussing how it aligns with the impacts seen in local communities.

We were joined by a total of approximately 70 people representing IDA providers, Fiduciary Organizations, banking partners, IDA graduates, and others interested in the IDA Initiative. The on-the-ground insights offered by those participating in and providing the program, and the questions and interests raised, are informing next steps in the data collection and analysis process.

This debrief report highlights what we learned and took away from the Roadshow meetings. Roadshow participants brought a wide range of experiences with the IDA program and thoughtful perspectives. We'd like to extend our immense appreciation for the time participants spent with us, their validating insight, and their challenging questions.

IDA Overview

Oregon's Individual Development Account (IDA) Initiative was established in 1999, reflecting a widespread shift in public policy towards alleviating poverty through asset building programs.

Through matched savings accounts combined with financial education, IDAs help individuals and families with low incomes save to purchase or renovate a home, further their education, start or expand a micro-enterprise, or buy specialized equipment or technology in support of an employment goal. Recent additions to statute will expand possible savings goals in the future.

Participants work with local, nonprofit IDA providers to define their goals and begin saving. Once the participant's goal is reached and all benchmarks of the asset plan are met, every dollar saved by the participant is matched by the Initiative. Typically every dollar a participant saves is matched with three donor dollars.

Oregon currently has more than 3,300 active participants and is the largest IDA Initiative in the country. Funded through contributions by individuals and businesses to the Oregon IDA Tax Credit, the IDA Initiative has provided close to \$25.7 million in matching funds since 2003 to 4,663 successful 'graduates,' who saved approximately \$9.2 million.

¹ Three Roadshow meetings were held in Portland, and one meeting was held in each of the communities of Bend, Grants Pass, Roseburg, Springfield, and Salem. A webinar offered a final opportunity for participation.

2015 Status Report

The data discussed at the roadshows centered on the following topics and key findings:²

Reach

IDAs continue to serve people from all regions of the state, as well as people of diverse races and ethnicities, ages, education levels, and family types. The data suggest regions and populations where there might be continued room for growth in expanding the reach of IDAs. More than half of savers live in households whose incomes are less than 50% of their county's median income.

Graduation

Seventy percent of savers graduate from the program, i.e. complete the program requirements and make a matched withdrawal. 'Voluntarily withdrew' is the most common reason for non-completion. Graduation rates are lower among savers who are: saving for a home purchase; between the ages of 12-17 or over age 55; identify as Hispanic or Latino; or who are American Indian, Alaska Native, Black or African American.

Financial behaviors and outcomes

IDA graduates suggest in surveys³ that after participating in the IDA program, they more frequently practice sound financial behaviors such as using a budget, keeping an emergency fund, or making deposits to a savings or retirement fund. Most graduates report feeling 'very much' more confident interacting with financial services and organizations.

Survey process

While survey respondents are diverse, the characteristics of survey completers as a whole are somewhat different than the total IDA population. Home purchase savers more frequently complete the surveys and education savers are underrepresented among survey respondents. Savers who identify as Hispanic or Latino and male savers are also underrepresented among survey respondents.

Responses to the Data

Roadshow participants' discussion of these findings offered context that validated the data or led to deeper questions. Many of Roadshow participants' comments, suggestions, and questions can be summarized as falling into one of the following themes:

1. **Understanding the characteristics of those enrolling in the program.** Comments centered on the IDA's geographic reach across all regions of the state, its reach into communities of color, other factors that might signal how well the program is reaching communities who have historically been economically disenfranchised, and the kinds of asset needs savers are seeking to address.

In exploring the geographic reach of IDAs, roadshow participants wanted to make sure we accurately represented savers who move to other counties or regions during their involvement with

² The data presentation can be found at: <http://www.slideshare.net/NeighborhoodPartnerships/oregon-ida-roadshow-the-data-behind-the-initiative>.

³ Web-based surveys are emailed to all participants at the time of program exit and again one year later, which ask about financial health, financial behaviors, and program satisfaction.

the IDA. Participants were curious about whether the reach into rural communities has changed over the years. When considering the number of people living in poverty in different regions of the state, participants suggested taking into account cost-of-living differences or other measures of economic mobility.

Roadshow participants were interested in seeing more detail about the IDA's reach into communities of color. They were curious about whether recent efforts in this area have led to increased diversity among IDA savers over time. When considering the overall racial and ethnic diversity in the state, participants cautioned us that not only do the US Census numbers undercount people of color, but they also categorize people differently than they might categorize themselves; participants encouraged us to seek additional resources. Roadshow participants asked for additional detail about the racial and ethnic backgrounds of IDA savers: to include a deeper look into the race and ethnicity of those who identify as "other or multiple" in OT, as well as savers' language, country of origin, and immigrant/refugee status.

Participants were interested in other factors which might signal how well the program is reaching communities who have historically been economically disenfranchised, such as: first-generation college students, people who are homeless, people who have been incarcerated, people who are differently abled, people who identify as part of the LGBT community, military veterans, people who are credit invisible, and children who have been in foster care. They were curious as to how well the Oregon IDA Initiative is serving underserved groups as compared to other IDA programs.

Participants were also interested in understanding in further detail the reasons savers enroll and their specific asset-related goals (e.g., To finish a degree already started or start something new? To grow a business already begun? What kind of business?).

2. [Challenges in conducting and targeting outreach](#). Roadshow participants noted that there is now more demand for IDAs than funds available. The Initiative has hit its statutory limit in the amount of funds it can raise for several years now. Some Initiative partners are interested in targeting the IDA to those with the greatest need, which may be defined differently in different communities. Other providers commented on the level and type of vetting or screening they do to determine who to allow into the program and what they believe indicates a person's readiness for the program. Providers also indicated that determining readiness is important for the client so that they can be successful.

Partners asked if there were certain goals the Initiative is striving for in the diversity of whom it reaches. They noted that they have limited resources available to do outreach and need to be selective in their outreach efforts. During the roadshow meetings, participants exchanged ideas on specific regional organizations that may be worth including in outreach efforts. The amount of resources available also plays into decisions about how many asset areas they can offer and with what level of support.

Roadshow participants were interested to know where referrals came from, how various programs are leveraged to serve savers, and the benefits and disadvantages of layering programs together.

3. [Challenges savers face in considering an IDA or when beginning the program.](#) Roadshow participants commented on the various challenges savers face when considering whether to enroll in an IDA, e.g. maintaining interest over time given the extent of the waitlist, accessing financial institutions, or the challenging nature of writing a business plan. Roadshow participants were interested in knowing the reasons why people might not qualify for an IDA. Provider or peer support and expertise can help overcome these challenges.
4. [Understanding why savers may not graduate from the program.](#) Several program providers expressed interest in digging deeper into the reasons why and the conditions under which savers exit the program. In addition, some program providers desired a more nuanced view in understanding situations in which savers make an initial matched withdrawal but then exit the program before achieving their original savings goal.

Roadshow participants had a range of comments about the exit reasons that are recorded in OT. Some feel that the current categories do not adequately explain the reasons behind a saver's exit. Participants felt it was important to know who is breaking rules and who is voluntarily withdrawing, because voluntarily withdrawing keeps the door open for a saver to try again at a later time. While acknowledging that sometimes it is hard to know the reason, several program providers noted that they would like further information on the reasons behind a voluntary withdrawal. Some FOs track this information systematically, and many record further details about the exit reason in a 'comments' section of OT. Anecdotally, many savers who exit without making a matched withdrawal experienced an unexpected expense or drop in income. The high cost of housing and tight credit market appear to be other common factors.

Related to this issue roadshow participants expressed challenges they face with the dichotomy of analyzing savers as graduates versus non-completers. They noted that sometimes savers make their first matched withdrawal, but then stop making deposits, or otherwise break a program rule, causing them to subsequently exit. On the other hand, sometimes savers decide that they no longer want to pursue the asset, sometimes related to a fortunate event (e.g. getting married and moving into a partner's house, or receiving a full college scholarship), leading them to withdraw from the program but in tangibly improved circumstances.

Roadshow participants also noted that graduating as an education saver or microenterprise saver is substantively different from graduating as a home purchase saver. That is, to be a home purchase graduate one needs to have been successful in purchasing a house, compared to relatively smaller or less complicated purchases such as a term's tuition or a piece of equipment. In addition, some FOs allow business and education savers to reserve their funds in an account if they're not ready to spend them right away. These nuances led roadshow participants to inquire if understanding a saver's savings or purchase goal would help in understanding the circumstances around a saver's exit.

5. [Factors that support savers in graduating.](#) Many roadshow participants commented on the relationship that is built between the program and the saver and how staff support and regular communication facilitates savers' success. Participants were curious about the impacts various programmatic factors might have on the ability of savers to graduate, such as: circumstances under

which savers change asset types; the length of time in the program; the nature of the financial education and other support services offered and the partnerships developed; the ways in which participants come to understand the program; and recent changes in Standard Operating Practices that increase options for home purchase savers.

6. [Understanding the savers' asset-specific outcomes and life conditions](#). Participants shared examples of the impacts they've seen in savers' lives and communities: developing and growing their businesses, being the first in their family to graduate from college, and buying their first home. They also emphasized the impacts savers go on to have in terms of sharing new knowledge with family members, infusing money in the community through their purchases, and the incredible sense of hope savers feel after accomplishing their goal.

Roadshow participants expressed interest in gaining a more robust understanding of the asset-specific outcomes of savers over a longer period of time. For example:

- a. Among Home Purchase savers:
What is their home's value? How much are they paying in property taxes? Were they previously using Section 8 or other rental housing subsidies? How many are still in their home?
- b. Among Microenterprise savers:
Have they continued to build their businesses? How much have they been able to leverage in loans? Have they hired people? Are they still in business? If they did not succeed, what were the factors? Did they start another business that was successful? What has been their change in income?
- c. Among Education savers:
What is their level of education achieved? Did they graduate from college? Have they influenced their siblings or other family members to pursue further education? For those not yet graduated, do they file the FAFSA, have they set a timeline to graduate, were they able to secure housing, are they budgeting/living within their means? Do they have jobs in their field of study? Are they worse off due to loan debt? How much debt do they have?

Roadshow participants were curious about how IDA graduates' circumstances might be similar or different from people who have not received an IDA. They asked if we might be able to separate the impact of various pieces of the program in achieving outcomes.

Finally, Roadshow participants suggested clarifying the Initiative's definition of financial well-being, financial resilience, and/or financial capability, so that it can be communicated to programs and participants, and so that programs and savers can see progress. Roadshow participants inquired about specific aspects of financial well-being, such as:

- How often are people saving after exiting the IDA program?
- How many months of living expenses do savers have available?
- Do savers access insurance? Tax credits?
- What financial products do savers access?

What changes do we see in the use of social benefits?

What changes do we see in income, debt, and net worth?

What is savers' level of stress in regards to their finances?

7. [Developing tools and systems to encourage savers to complete the exit surveys](#). Program partners asked what the survey response rate was for their program specifically, and expressed interest in improving that response rate. Program providers discussed opportunities where they can raise savers' awareness about the importance of the survey and make sure relevant contact information is updated in OT. Roadshow participants also suggested that savers' interest in responding may also reflect their perception of the program, the messages they have received about the program (i.e. a financial aid program or a financial behaviors program), and how tangible the asset has felt to them (e.g. owning a house, compared to paying for part of tuition). Roadshow participants also advised diversifying the ways in which savers' feedback is gathered and tailoring questions to make them more relevant to savers in different asset classes.

Next Steps

We continue to refine the evaluation of the Initiative, and are currently developing an evaluation plan to guide us over the coming five years. We are considering how the various feedback might align with Initiative priorities, the feasibility of integrating different ideas into future data collection and analysis efforts, and the potential for new information to impact program decision-making or policy. We will work to integrate the ideas and lessons learned through the roadshows into the evaluation plan. We are seeking additional external input as we develop the plan and a draft evaluation plan will be shared for review by OHCS and program providers in late Spring 2016.

We wish to again acknowledge the IDA providers, Fiduciary Organizations, banking partners, and IDA graduates who attended the roadshows and shared their knowledge and experience with us. We anticipate our future data analysis efforts will be more precise and relevant thanks to their contributions.