



2017

Program Handbook



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Chapter 1

Program Overview

Delta Dollars offers Delta State University students who meet income specifications of the grantor an opportunity to leverage their savings by using the Individual Development Account (IDA) as a tool for building assets and wealth. No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in the programs on the basis of race, color, national origin, sex, disability, religion, creed, age, marital status, sexual orientation, gender identity, ethnic or background.

The program consists of five key roles: the administrator, the coordinator, the financial institution, funders, and Participants. Each component of the program plays a unique role in the success of the program.

Administrator

Delta State University is the lead organization for program management, program oversight, and fiscal responsibility. The Office of Graduate and Continuing Studies is delegated administrative responsibilities by the University. In order to ensure the success of the Delta Dollars Program, Delta State University:

- Fundraises and distributes grant funding
- Manages and reports grant information
- Establishes memberships with financial institutions and other community organizations
- Makes daily operational decisions, including (but not limited to) procedures, program coordination, fundraising, and management
- Provides training, technical assistance, and support to Delta Dollars Program Members
- Monitors and reports financial activity by Participants, including savings deposits and emergency and matched withdrawals
- Manages information systems of Participants' IDA accounts
- Develops and distributes materials for marketing and recruitment
- Coordinates initiative communication, meetings, and information sharing

Coordinator

The program coordinator forms the backbone of the program. The coordinator identifies, enroll, and support Participants throughout their involvement in the program. Coordinator responsibilities include:

- Program marketing and outreach
- Identification, screening, and enrolling of Applicants
- Supporting Participants throughout their tenure in the program
- Liaising between administrator and Participant (as needed)
- Attending program meetings
- Participation in the evaluation of Participants and the program

Financial Institution

Participants establish their IDA as a new savings account with Renasant Bank after they are found eligible to participate in the program. Renasant Bank of Cleveland, MS has signed a Memorandum of Understanding (MOU) with Delta State University to serve as a depository for Participants' savings. Renasant Bank was founded in 1904 and currently operates over 120 banking, mortgage, financial services and insurance offices in Mississippi, Alabama, Tennessee and Georgia. Renasant Bank is FDIC insured.

Funders

A grant from Assets for Independence (AFI), a program of the U.S. Department of Health and Human Services Administration for Children and Families, funds approximately 50% of costs for this program. The remaining 50% is funded through non-federal sources identified through the Delta State University Foundation.

Program Basics

The basic program structure consists of the following features:

Match Rate:	8:1
Maximum Savings Matched:	\$500
Maximum Match:	\$4,000
Participation Period:	6 to 12 months
Deposits:	\$42 per month minimum for 12 months. Lump sum deposits are allowed. With lump sum depositing, participants can complete the program in as little as 6 months.

Eligibility Requirements:

- Be a U.S. citizen and a current student.
- Have an adjusted gross household income equal to or less than 200% of the Federal Poverty Guidelines and have a household net worth less than \$10,000 (excluding the value of a primary residence and one vehicle), or be eligible for the federal Earned Income tax Credit.
- Must be seeking a first undergraduate degree or graduate degree

2016 HHS Federal Poverty Guidelines

Persons in family/household	100% of Poverty*	200% of Poverty
1	\$11,880	\$23,760
2	16,020	32,040
3	20,160	40,320
4	24,300	48,600
5	28,440	56,880
6	32,580	65,160
7	36,730	73,460
8	40,890	81,780

**For families/households with more than 8 persons, add \$4,160 for each additional person*

2017 HHS Federal Poverty Guidelines

Persons in family/household	100% of Poverty**	200% of Poverty
1	\$12,060	\$24,120
2	16,240	32,480
3	20,420	40,840
4	24,600	49,200
5	28,780	57,560
6	32,960	65,920
7	36,140	72,280
8	41,320	82,640

***For families/households with more than 8 persons, add \$4,180 for each additional person*

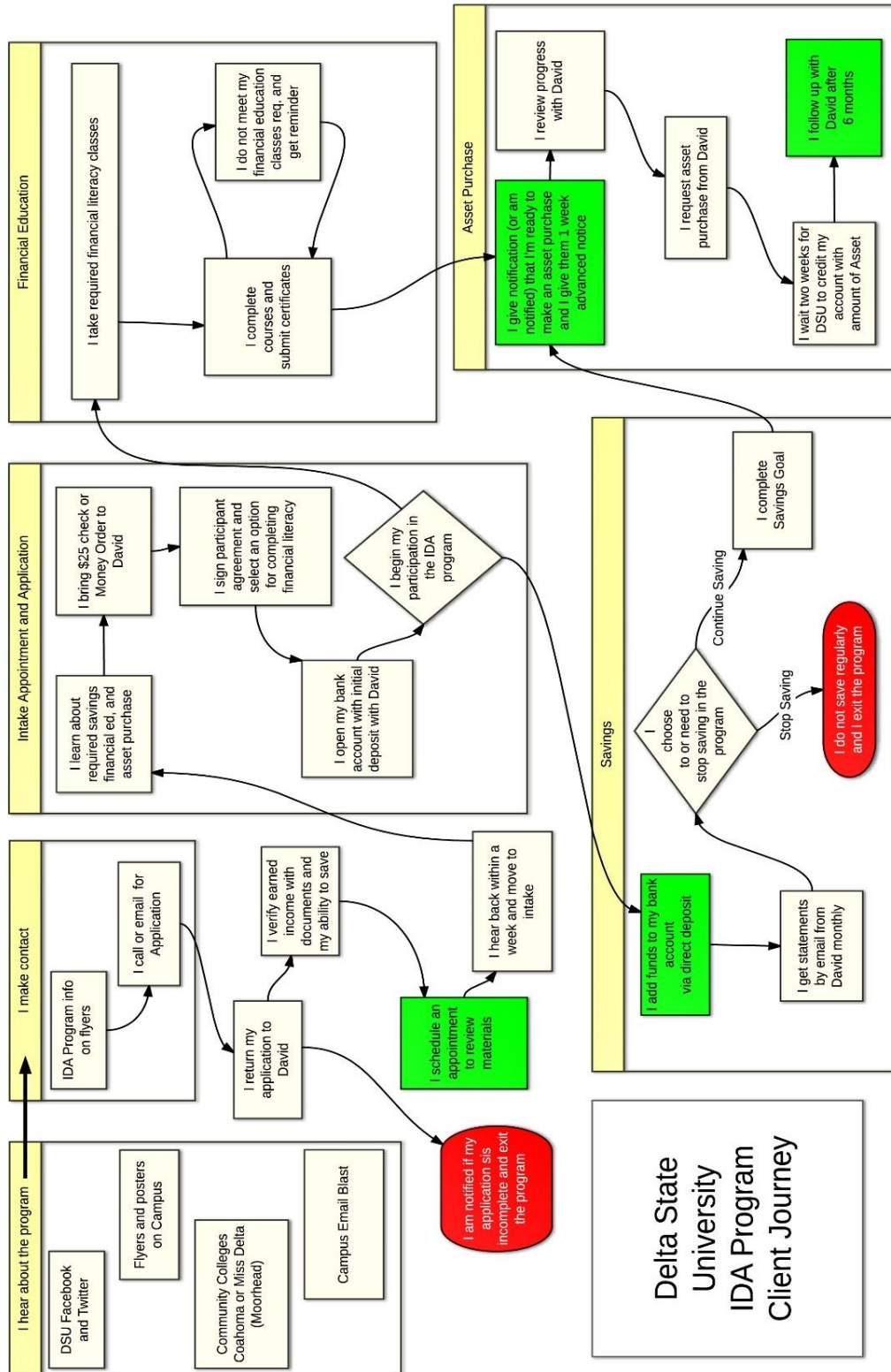
Post-secondary Education

The program's goal is to keep students on track so they can graduate with minimal educational debt.

Participants must be enrolled at Delta State University at the time of program graduation and disbursement of funds.

Client Journey

A Participant's tentative journey through the program is below:



Chapter 2

Savings and Match Accounts

Savings Account

Program staff will open a savings account with Renasant Bank for the Participant. The savings account has the following features:

- Custodial account between Delta State University and the Participant. Delta State University's name will appear on the account as a custodian for each participant. Each
- Participant's Social Security Number (SSN) will appear on the account as well as Delta State University's Federal Employer Identification Number (FEIN).
- Automatic transfers
- Direct deposits
- Manual deposits
- Interest bearing account
- Minimum deposit of \$42 required to open the account
- Monthly service fee waived
- Monthly account statements

Methods of Deposits

Participants may deposit money into the account, but not withdraw funds (except for emergencies and with the approval of Program Staff). Deposits may be made at any Renasant Bank location (cash, checks, money orders, or electronic transfers). The initial deposit must be made at the Cleveland, Mississippi Renasant Bank location.

- All instruments must be assigned to Delta State University, Custodian for [Participant's Name]
- Participant must present a deposit slip with appropriate bank account information

Missed Deposits

Each Participant should make a concerted effort toward saving regularly to meeting his or her savings plan obligation. If a Participant fails to make the minimum savings requirements, he or she must meet with Program Staff to plan how he or she will get back on track. **If a Participant does not make a deposit for two (2) consecutive months and has not contacted Program Staff, he or she will be terminated from the program. Program Staff will give notification and initiate account closing with Renasant Bank.**

Emergency Withdrawals

Emergency withdrawals are allowed. Participants are encouraged to establish a separate account for emergencies. **According to Section 410(d) of the AFI Act, participants may not withdraw funds from their IDA earlier than 6 months after the initial IDA deposit.** If an emergency occurs and the

Participant needs to withdraw money from his or her individual development account, he or she must discuss the situation with Program Staff. Match money is never eligible for emergency withdrawals. The Participant will temporarily lose any match money earned on their savings until the withdrawn amount is repaid. There are several rules governing emergency withdrawals:

1. Emergency withdrawals are allowed for the following purposes:
 - To pay for medical care for Participant, Participant's spouse, or dependent(s)
 - To prevent eviction or foreclosure on a Participant's principal residence
 - To allow a Participant to meet necessary living expenses (i.e. food, clothing, shelter, utilities, etc.) following the loss of employment
2. Emergency withdrawals must be approved by Program Staff.
3. The emergency withdrawal of funds does not change the Participant's savings obligations. Continuation in the program following withdrawal is contingent on the Participant making scheduled deposits and meeting the deadline for completing the program. **Failure to replace the emergency withdrawal within two (2) months may result in termination from the program. If the Participant is terminated from the program, he or she will receive the remainder of the funds in his or her individual development account but no matching funds.**

Account Closing

Accounts are subject to closing either voluntarily or involuntarily at any time. When an account is closed (either voluntarily or involuntarily) the personal savings are sent back to the participant. Common reasons an individual development account may close are:

- **Graduation:** Participant completes all program requirements.
- **Termination:** Participant violates program rules and regulations (i.e. falsifying application information, non-compliance of savings and program requirements, etc.). Each Participant should keep in regular contact with Program Staff to avoid program termination, especially in the event in loss of income or other household changes that may negatively impact the savings ability.
- **Voluntarily Closed:** Participant voluntarily decides to close his or her account and discontinue participation in the program.

Match Account

The match portion of the individual development account is managed by Delta State University and never goes directly into the Participant's saving account. The match funds do not count as income for the Participant and will generally not affect most public benefits.

IDAs and Taxes

Participants do not have to report the IDA funds (both savings and match) when filing their taxes. For more information on the interaction of IDAs and taxes, consult a tax professional and view the following link:

IRS ruling on the treatment of IDA funds can be found at <https://www.irs.gov/pub/irs-irbs/irb99-44.pdf>.

Chapter 3

Program Learning Objectives

Participants must show proficiency in financial management as part of their involvement in the program.

Financial Education Requirement

Participants have the option of completing FCS 215 Personal Finance with a passing grade (offered online at Delta State University) or completing modules from the online FDIC Money Smart curriculum at <https://moneysmartcbi.fdic.gov/login/login.php>. The Participant must provide an official copy of his or her transcript listing the FCS 215 grade or provide Money Smart certificates of completion.

FCS 215 Personal Finance

Principles of personal financial management. Emphasis on personal financial goal setting, budgeting, analysis of financial statements, record keeping, and financial decisions. Introduction to computer software packages for use in personal financial management.

Money Smart for Adults

The curriculum consists of eleven training modules that cover basic financial topics. **All modules are not required for financial literacy completion.**

Three (3) required modules:

1. *Money Matters*: how to keep track of your money
2. *Pay Yourself First*: why you should save, save, save
3. *To Your Credit*: how your credit history will affect your credit future

Choose one (1) module to complete as an elective:

- *Bank On It*: an introduction to bank services
- *Borrowing Basics*: an introduction to credit
- *Check It Out*: how to choose and keep a checking account
- *Financial Recovery*: how to recover financially and rebuild your credit after a financial-setback
- *Keep It Safe*: your rights as a consumer
- *Charge It Right*: how to make a credit card work for you
- *Loan To Own*: know what you're borrowing before you buy
- *Your Own Home*: what home ownership is all about

Chapter 4

Program Guidelines

Program Requirements

In addition to the general program requirements (screening, eligibility, training, etc.), the Participant must agree to a Savings Plan.

Eligible Uses of Funds

Eligible uses of funds are limited to:

- Tuition and fees required for enrollment or attendance
- Fees, books, supplies and equipment required for courses of instruction

Non-Eligible Uses of Funds

Non-eligible uses include:

- Childcare
- Transportation
- Room and board
- Student loans
- Living expenses
- Healthcare
- Parking

Disbursements

A Participant's savings and matching funds from this program will be disbursed to the Participant's Delta State account upon successful completion of the program. **All asset purchases must be made at Delta State University. Funds from this program cannot be returned to the Participant as a refund.**

Financial Aid

Money from this program could impact the Participant's financial aid application. Institutional, foundation, state, and federally funded scholarships and grants are all subject to a maximum yearly amount not to exceed the cost of tuition, average room and board, and a \$600.00 per year book allowance (<http://www.deltastate.edu/policies/policy/university-policies/student-affairs/financial-assistance/scholarships-and-graduate-assistantships/>). All funding through scholarships and grants, plus any loans obtained through the financial aid application, may not exceed the FAFSA-determined "cost of attendance." **Funds from this program will be applied to the student's account first before other grants and scholarships. Thus, these funds may reduce other scholarship or loan amounts.**

Chapter 5

Contacting Program Staff

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Chapter 6

Frequently Asked Questions

What is an Individual Development Account (IDA)?

Individual Development Accounts (IDAs) are matched savings accounts that help low income wage earners save towards the purchase of a lifelong asset, such as an education.

What is earned income?

Earned income is income that comes from employment (self-employment included).

Will this affect any other program eligibility (i.e., food support, disability income)?

Federal law states there will not be a reduction in benefits as a result of savings from Individual Development Accounts.

Will this affect my financial aid?

Institutional, foundation, state, and federally funded scholarships and grants are all subject to a maximum yearly amount not to exceed the cost of tuition, average room and board, and a \$600.00 per year book allowance (<http://www.deltastate.edu/policies/policy/university-policies/student-affairs/financial-assistance/scholarships-and-graduate-assistantships/>). All funding through scholarships and grants, plus any loans obtained through the financial aid application, may not exceed the FAFSA-determined “cost of attendance.”

Can I save more than \$42 per month?

Yes, but only the \$42/month (\$500 maximum) will be matched. Students are encouraged to have an additional savings account to save simultaneously for other uses (i.e., emergencies, goals, etc.).

What happens if I need my money for an emergency?

Emergency withdrawals are allowed but must be replaced. Participants may not withdraw funds from their IDA earlier than 6 months after the initial IDA deposit. Match money is never eligible for withdrawals.

Do I have to pay taxes on Delta Dollars money?

No. For more information on taxes and IDAs, visit <https://www.irs.gov/pub/irs-irbs/irb99-44.pdf>.

What documentation do I need for enrollment?

- Proof of earned income (for all household members)
 - Prior year Federal Tax Return *or*
 - Income list on FASFA if it has been verified through the IRS
- Verification of student enrollment (class schedule)
- Valid ID and Social Security or Taxpayer Identification Number

How long can you save for?

Savings can be deposited for up to 12 months.

What asset purchases are allowed?

Post-secondary education only at Delta State University.

Chapter 7

IDA Savings Plan Agreement

The following agreement outlines your responsibilities as the Participant and what we, Delta State University, will offer under the Delta Dollars Account Program.

Delta State University agrees to:

Matching Funds: Delta State University will provide an 8 to 1 match of a Participant's deposits from earned income into the Participant's Individual Development Account. The Participant may save more than \$500.00 but Delta State University will only match the Participant's savings of \$500.00.

Account Statements: Delta State University will send the Participant monthly statements documenting their current account status and the total matching funds they have earned.

Disperse Matching Funds: Matching funds will be disbursed to the Participant's Delta State University account after the Participant follows all program rules and policies, meets the necessary savings goal to purchase the education asset, and completes the required financial training. No funds will be returned to the Participant as a refund.

Grievance Process: Delta State University will offer a process for any Participant who has a grievance in regards to the program. The Participant must contact Program Staff if he or she has a grievance.

Personal Data and Communication: Delta State University will treat all information as confidential. Information may be shared with affiliates for data collection, reporting, program evaluation, and determining eligibility.

The Participant agrees to:

Establish IDA: I agree to open a savings account at Renasant Bank, which will be used only for the Individual Development Account. I understand that the savings account is a "custodial account", which means Delta State University will act on my behalf as a custodian in regard to such funds in accordance with the program requirements. Such accounts will be subject to the terms and conditions set forth by Renasant Bank. I understand that I will not have access to an ATM card, Telephone banking, or PC banking services and that my monthly account statement will be accessible to Program Staff.

Savings Plan: I agree to deposit at least \$42.00 per month for 12 months from earned income into the savings account. I understand that deposits can only be made in the form of check or money order at the CCED and in the form of cash, check, or electronic transfer at Renasant Bank). I understand that I will be disqualified from the program if I do not meet the savings minimum for two (2) months in a row. I understand that lump sum deposits are allowed and that I must achieve my savings goal within 6-12

months or prior to the ending date of the current grant enrolled. I agree to have contact (in-person, over the telephone, or through email) with Program Staff at least once a month to discuss progress toward these goals.

Educational Requirements: I agree to complete financial literacy training. I understand that completion of the training is required to receive any matching funds.

Withdrawals: I understand that I can make a withdrawal from my IDA only for an authorized emergency, and that any withdrawal requires the signature of an authorized Delta State University representative (except for withdrawals as a result of legal process). A withdrawal of funds for an unauthorized emergency will result in termination from the program. I understand that if I am terminated from the program, I will receive the money I have saved in the IDA, plus the interest earned on my savings, but I will not receive any matching funds. My individual savings and interest earned on that savings are subject to legal process, including, without limit, writs and levies.

Program Evaluation: I understand that I will have the opportunity to participate in the evaluation of the program, which includes filling out a survey or participating in an individual or group interview. I understand that my involvement in is completely voluntary. I may refuse to answer any question or withdraw at any time.

Beneficiary Designation: I understand that I must designate an individual who will receive the balance of my individual development account in the event of my death. My balance, excluding all matching funds, will be distributed to the designated individual upon providing proof of my death. I understand that I may change the designee by providing written notice in form satisfactory to Delta State University. (These funds can also be transferred to another IDA account of the enrollee.)

Beneficiary's Name _____ **Date of Birth** _____

Beneficiary's SSN _____

Please read the following statements and initial to indicate that you agree/understand:

_____ I attest that the information I have provided is true to the best of my knowledge, including fully disclosing the financial situation of my household.

_____ I understand that if I have intentionally provided incorrect information or if I am found to be out of compliance with the standards of the program, I can be dismissed from the program.

_____ I understand that I must be enrolled FULL TIME at Delta State University at the time of program completion in order to have funds from this program applied to my student account.

_____ I understand that money from participation in this program must be used for eligible Delta State University expenses and cannot be reimbursed to me as a refund.

_____ I understand that eligible money from savings and matched funds will be applied to my student account FIRST before other grants and scholarships. Thus, these funds may reduce other scholarships or loan amounts.

_____ I understand that the money from this program could impact my financial aid application. Institutional, foundation, state, and federally funded scholarships and grants are all subject to a maximum yearly amount not to exceed the cost of tuition, average room and board, and a \$600.00 per year book allowance (<http://www.deltastate.edu/policies/policy/university-policies/student-affairs/financial-assistance/scholarships-and-graduate-assistantships/>). All funding through scholarships and grants, plus any loans obtained through the financial aid application, may not exceed the FAFSA-determined "cost of attendance."

_____ The SSN (or Taxpayer Identification Number) _____ is my correct number.

_____ I am not subject to backup withholding either because I have not been notified that I am subject to backup holding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

Consent for Information Disclosure

_____ I hereby authorize the exchange of information between Delta State University and Renasant Bank for purposes of participating in the program.

_____ I understand that this information is considered a record. Further, I understand that by signing this release, I am waiving my right to keep this information confidential.

_____ I understand that my consent for disclosure of information is entirely voluntary. I understand that I can revoke this consent for disclosure any time in writing and it will not be effective for materials already released under it.

Testimonial and Photograph Release and Waiver

_____ I grant permission to Delta State University and its affiliates, the irrevocable right to use the testimonial and any photographed, filmed or videotaped images and/or recorded statements made by me for the purpose of advertising and promotional use. The testimonial, photographed, filmed or videotaped material is the sole property of Delta State University and Delta State University may use the material or any part thereof whenever and however they deem appropriate.

I shall have no claim against Delta State University or any other person, firm or corporation in relation to the use of my image, statements or name whether alone or in conjunction with others.

General Liability Release Agreement

_____ I agree to release Delta State University and their affiliates from all liability surrounding my participation in this program.

I agree to hold Delta State University and their affiliates harmless from any and all claims, including attorney’s fees or damage to my personal property that may occur as a result of my participation in the program (including travel to, from, and during any necessary activities). If Delta State University incurs any of these types of expenses, I agree to reimburse Delta State University.

If I need medical treatment, I agree to be financially responsible for any costs incurred as a result of such treatment. I am aware and understand that I should carry my own health insurance.

I fully understand that neither Delta State University nor its affiliates shall be responsible for illness or injury to me while enrolled in the program.

Financial Literacy Agreement (Please initial only one)

_____ I agree to complete financial literacy training by completing FCS 215 Personal Finance (offered online at Delta State University) with a passing grade and providing certificates of completion.

_____ I agree to complete financial literacy training by completing the required modules from the online Money Smart curriculum and showing certificates of completion.

I agree to abide by all program rules and policies and meet all responsibilities as a Participant, as indicated in this agreement.

Participant’s Signature _____ **Date** _____

Address _____
Street City State Zip Code

Phone Number _____ **Email Address:** _____

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