

United Way of the Bluegrass *Back On Track*



BACK ON TRACK PARTICIPANT HANDBOOK:

RESPONSIBILITIES AND PROCEDURES

*THIS PROGRAM IS FUNDED BY A GRANT FROM ASSETS FOR INDEPENDENCE,
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United Way of the Bluegrass *Back On Track*

United Way of the Bluegrass welcomes you to the Back On Track Matched Savings Program!

You are about to start a process of saving and learning that will allow you to purchase an asset you have dreamed about, and to realize the financial and personal benefits that an acquired asset can offer you, your family, and your community. United Way of the Bluegrass and Back on Track staff members are excited to partner with you as you work toward your goals.

At Back On Track, we are committed to advancing financial stability through the following program components:

Matched savings on earned income

Financial Education & Counseling

Asset-specific Training & Counseling

This Participant Handbook provides important information and is a good reference as you enter the matched savings program to begin your savings activities. The rules for participation are designed to provide the structure and the motivation that most people need in order to develop good money habits. These rules will be enforced, so it is important that you understand and follow them in order to maintain your enrollment and earn your savings match. Please review all of the contents of your Participant Handbook carefully, and speak with Back On Track staff if you have any questions.

As you embark on your journey, we hope that the program will help you reach your goals and, in the process, build life long money management skills. On behalf of all of us at United Way of the Bluegrass, and our Back On Track partners, we congratulate you on your participation in the matched savings program.

If you have not already done so, please meet with your agency support coaches or a member of Back on Track's staff to complete the following paperwork. Signed copies will be sent back to you so you can keep them with your Participant Handbook.

Participation Agreement

Account Release Form

Beneficiary Designation

Individual Savings Plan

We are excited that you will be participating in the Back On Track Matched Savings program and look forward to working with you to fulfill your asset goals!

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Program Overview

The Back On Track Matched Savings program is administered by United Way of the Bluegrass in partnership with local/regional community agencies such as Community Action Council, Community Ventures Corporation, Consumer Credit Counseling Services, Foothills Community Action Partnership, REACH, Inc., as well as other community partners. The program uses matched savings accounts to facilitate participants' savings and help them reach their asset goals. An Individual Development Account (IDA) is a matched savings account in which the contributions of an individual are matched by grant dollars. Back on Track uses matched savings accounts to encourage savings and personal financial planning for limited-income individuals and families in order to build productive assets and self-sufficiency. The matched savings program is designated to be used for one of three specific purposes:

- First-time Homeownership
- Post-Secondary Education
- Small Business start-up or expansion

Back On Track uses two sources of funds: Federal and local grant dollars. With these funding sources:

- Homeownership savers will have the opportunities to save up to \$2,000 for a maximum matched amount of \$4,000
- Post-Secondary Education and Small Business savers will have the opportunity to save up to \$1,000 for a maximum matched amount of \$4,000

Once a participant is enrolled in the program, the participant must do the following to be eligible to access the matching dollars (up to \$4,000):

- Open a Matched Savings Account and keep the account open and in good standing for a minimum of 6 months
- Attend at least 10 hours of financial education that includes such topics as improving credit, setting up a budget and savings schedule, and the basics of money management.
- Attend at least 8 hours of training that is specific to the asset for which the participant is saving (e.g., how to purchase and maintain a home, how to enroll in post-secondary classes, how to start a small business), or complete an approved self-guided study such as an education work plan.
- Make consistent deposits into the account throughout the length of the participant's enrollment in the program.
- Purchase a designated asset by August 31, 2015.

Candidate Eligibility

Participation in Back On Track is limited to individuals or households with incomes at the time of enrollment that does not exceed 200 percent of the Federal Poverty Level. Preference will be given to households that have a combined income of between 150 and 200 percent of the Poverty Level. Anyone seeking to participate in the Back On Track program must have **household incomes** at the time of enrollment **that does not exceed the 200 percent level** for household size that is listed in the chart below. A household consists of anyone living in the same primary dwelling – this includes spouse, children, parents, siblings, etc. that share an eating and living space.

In some cases, participants making less than 150 percent of the Poverty Guideline may be deemed ineligible due to insufficient income. Such applicants will be encouraged to reapply once household income has increased.

2014 Income Guidelines

Persons in family/household	Poverty guideline 150%	Poverty guideline 200%
1	\$17,505	\$23,340
2	23,595	31,460
3	29,685	39,580
4	35,775	47,700
5	41,865	55,820
6	47,955	63,940
7	53,045	72,060
8	60,135	80,180

For families/households with more than 8 persons, add \$8,120 for each additional person.

Back on Track income guidelines are taken directly from the Department of Health and Human Services which adjusts the Federal Poverty Guideline each year. The program's income eligibility will be adjusted each January when new Poverty Guidelines are released.

Eligibility is based on earned income level **at time of enrollment**. Participants will remain in the program if earned income increases beyond 200% of the Federal Poverty Level after enrollment.

Criteria for Approval

To qualify for the program, candidates must:

1. Be 16 years of age or older
2. Have earned income
3. Have a combined household income which does not exceed 200% of the Federal Poverty Level
4. Have, as a household, no more than \$10,000 in assets/net worth (excluding ownership of one home and one automobile)

No more than two eligible members per household may participate in the Matched Savings Program. Each participant must have earned income. Welfare payments, Supplemental Security Income (SSI), Social Security Disability Income (SSDI) payments, state or federal training program stipends and Unemployment Compensation are **not** considered **earned income**. Recent paystubs, tax returns, or other statements showing current wages are required in order to provide adequate documentation of income eligibility.

In order to be approved for Back on Track, applicants must show that they are able and ready to save money. Program participants should demonstrate that they will be able to complete the program within two years. Applicants that meet eligibility requirements and have demonstrated that they are capable of savings will be approved on a first-come first-serve basis until the program is at capacity or the grant is 6 months or less from completion.

Typically, successful candidates have:

- established long-term goals for themselves and their family
- a desire to purchase a home, own a thriving small business, or obtain a post-secondary degree
- stable employment
- a credit history acceptable to most lenders for their asset purchase OR have the desire and ability to address credit issues in a timely manner
- the ability to consistently make a deposit of at least \$30 or more per month from earned income into a savings account
- a desire to improve their money-related knowledge and skills through financial education
- a willingness to complete asset-specific trainings

If an applicant is not deemed to be ready for the program by Back on Track staff for one of the following reasons, referrals will be made to programs that can help address the obstacle impeding the applicant's success:

- Insufficient income
- Under-developed asset plan
- Unaddressed credit problems

Applicants that are denied access because of one of the above reasons will be referred to United Way of the Bluegrass' 2-1-1 Information and Referral Center. Call specialists can then refer the applicant to community programs that will assist in their specific deficit. Examples of potential referrals include, but are not limited to, Consumer Credit Counseling Services, local career centers, housing counseling programs, and small business development centers.

Program readiness is of particular importance for the purchase of a home which requires considerable resources even beyond the savings in the program. The suggested minimum deposit of \$30 per month for the two year enrollment period will not yield the maximum match of \$4,000. For those who may find it too challenging to save for a home within two years of opening an account, the applicant should address credit and other issues impeding homeownership prior to enrolling in Back on Track.

Applicants may consider business development and post-secondary education as ways to increase earnings and improve financial stability. Although an individual may enroll as a participant under one goal, he/she may change the choice of asset at any time during the program with the understanding that the participant must complete the required training for the new asset choice.

Participant Enrollment

Approved applicants will be called to set up a one hour orientation session with a member of Back on Track staff. Applicants who have been referred to the program through a partner agency may set up their orientation session with the agency representative if both the agency and the participant agree.

During the orientation session, participants are given a chance to review the Participant Handbook and have any questions answered. Participants will be guided through the process of completing an Individual Savings Plan, Beneficiary Designation, and Participation Agreement. It is during the orientation that participants receive instructions on how to open their savings account. Applicants are considered enrolled participants after they have completed their orientation session and signed the participation agreement.

Participant Responsibilities

Each participant enrolled in the program will be responsible for the following:

1. Check-in as needed via email or phone with Back On Track staff. Participants will be contacted by staff members via email or phone, and will have one week to reply or be considered delinquent. Phone check-ins may be completed by contacting UWBG 2-1-1.
2. Complete an Individualized Savings Plan with an identified asset.
3. Open an Individual Development Account at an approved partner financial institution with an initial \$10 deposit. The participant will have two years from the date the account is opened to complete his/her savings goal unless a one year extension is approved.
4. Contribute to the savings account on a regular basis. Participants are asked to deposit into their account monthly with a suggested deposit of at least \$30. Participants that miss three or more consecutive months of deposits without providing Back on Track staff with an explanation of the extenuating circumstances keeping them from depositing will be exited from the program. It is strongly encouraged that participants save more than \$30 per month toward their goal. All savings must be from earned income. Earned income includes wages, salaries, professional fees, and other amounts received as compensation for personal services actually rendered.
5. The participant can only withdraw funds for the asset purchase upon completion of all program requirements.
6. In order to be successful, a participant should not substantially increase his/her debt, nor use credit card cash advances or pay-day lending services during enrollment in the program. A dramatic increase in debt may result in termination from the program.
7. Consult Back On Track staff regarding any missed deposits, personal or savings challenges, or program obstacles from the established Individual Savings Plan.
8. Attend required training as outlined below.
9. Attend recommended UWBG-sponsored Professional Development Workshops and peer support sessions if/when possible.
10. Direct all questions regarding his/her savings account toward Back On Track staff, NOT the designated financial institution. (Bank customer service representatives cannot authorize a withdrawal.)
11. Successful participants must make his/her asset purchase within the five-year grant period, which expires Aug. 31st, 2015.

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Tips for Maximizing Savings

1. Back on Track participants are encouraged to take advantage of United Way's free tax preparation. Participants may call 2-1-1 in January to schedule their free tax preparation appointment after receiving W2 statements.
2. Participants are strongly encouraged to apply a portion of the Earned Income Tax Credit, if received and as determined, in conjunction with Back On Track staff or the participant's agency support coaches, for savings.
3. Participants may set up direct deposit with their employer to facilitate easy savings.

Financial Education Training

Every enrolled participant is required to successfully complete 10 hours of financial education. This training should include the following topics: budgeting, saving, and credit repair. While training topics will vary depending on the provider offering the financial education, participants must complete at least the aforementioned topics. Additional topics may be covered in order for the participant to reach his/her 10 hours or required training.

Participants will be provided with a list of providers that they may contact to receive financial education. Additional providers may be approved by Back on Track staff at the request of the participant. In cases where a participant has already received financial education from a community partner, Back on Track staff will review the course curriculum and determine if any of the classes are eligible to be counted toward the participant's 10 hours of training. In order to be included, the financial education must meet the following criteria:

- Must have accompanying documentation from the provider of its completion which includes the date of the class, the name of the participant who received it, the topics that were covered, the curriculum that was used, and the name and qualifications of the individual(s) teaching the course.
- Only financial education that was taken by the participant in the six months proceeding his/her enrollment in Back on Track will be admissible
- Past financial education hours will be evaluated for transfer to Back on Track.

Asset-Specific Training/Consultation

Every enrolled participant is also required to successfully complete at least 8 hours of training specific to the asset which they seek to acquire. Asset-Specific Training is provided by community partners. Participants may choose from a list of approved education providers or may request for Back on Track staff to approve an alternative provider for his/her asset training. Training requirements for the IDA program qualified asset goals are described below.

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- Home Ownership:
 - An enrolled participant planning to purchase a home should receive at least 8 hours of home ownership training
 - Topics may include, but are not limited to:
Qualifying for a mortgage, affordable housing opportunities, finding and selecting a home, mortgage financing options, loan closing, and post-purchase success.

 - Post-secondary Education:
 - An enrolled participant planning to pursue a post-secondary education should complete Back on Track's education plan to receive 8 hours of credit for asset education. The completed plan must be reviewed and approved by a support coach.
 - Topics in the education plan include, but are not limited to:
Skills and interests, labor market needs, career planning, education planning, admission application assistance, financial aid application and scholarship application assistance, etc.
 - The participant is the only person who may utilize the education asset, and may not save on behalf of a child or spouse.

 - Micro-enterprise/ Small Business:
 - An enrolled participant planning to start or expand a small business should receive at least 8 hours of business development training that leads to the creation of a business plan.
 - Topics may include, but are not limited to:
Legal structure selection, estimated start-up costs, market research, marketing, insurance needs, financial projections, and taxation.
 - Prior to accessing the matching funds, small business participants are required to submit a business plan to Back on Track staff that includes projected financial statements, a marketing plan, and a description of goods/services to be sold. The plan must have been approved by the Kentucky Small Business Development Center, Community Ventures Corporation, or a financial institution.

Tracking Participant's Training

Each participant is responsible for keeping track of his/her financial education and asset-specific training. During the participant's Back on Track orientation, Back on Track staff will provide the participant with two training logs - one for personal financial education and the other for asset-specific training. Upon completing all 18 hours of financial education, participants must return the completed logs to Back on Track staff. Logs must be reviewed for required course topics (budgeting, saving, and credit repair) and approved by Back on Track staff prior to the participant's first asset purchase. Completed education logs are filed in the participant's folder and logged in the software used by Back on Track staff.

Participants that have attended training in the six months prior to enrolling in Back on Track may request verification from the education provider of the completed coursework.

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Certificates of completion may be used to supplement the participant training log in such instances.

In the event that training logs are lost, it is the participant's responsibility to contact the education providers and get documentation that verifies the number of hours received as well as the topics covered.

Participant Contact

Participants are encouraged to check in once a month with a support coach. Enrolled participants who were referred to Back on Track through a partnering agency may check in with their contact at that agency. Participants who are not receiving case management or support from a community partner will be assigned a Back on Track staff person to contact for the monthly check-in.

Participants who have not proactively attempted to check in with Back on Track staff or the agency that referred them to the program will be contacted by Back on Track staff as needed. As part of the check-ins, Back on Track staff will discuss with the participant his/her successes, challenges, and questions. After six months of participation in the program, participants will be asked to meet with Back on Track staff to complete a short survey as a means of evaluating his/her progress in the program as well as how well the program is responding to the participant's needs.

When necessary, the following areas of concern will be addressed in monthly check-ins. These key activities are considered core for successful program completion:

1. Participant failing to identify or attend financial education/ asset-training 6 months after enrollment date.
2. Participant not completing check-ins with program staff for three months and being unresponsive to staff efforts at communication (if staff cannot reach a participant by phone, alternative avenues of communication will be attempt, including mailings and emails).

Professional Development Workshops and Peer Support

Back on Track staff offers professional development opportunities and peer support for active participants in the form of monthly workshops. Workshops are organized by Back on Track staff and are led by community volunteers. Members of the Back on Track Advisory Council are highly encouraged to lead these group sessions. Attendance at workshops is strongly encouraged by Back on Track but is not required.

Professional Development Workshops provide opportunities for participants to learn valuable skills including communication skills, public speaking, professional conduct and dress, and information about opportunities to network with other professionals. In addition to learning about specific skills, workshops give program participants an opportunity to interact with peers to share successes, experiences, and opinions on strategies that will help improve the experience for others. Peer groups should also use workshops as an opportunity to discuss issues that have presented barriers to success and work together at problem solving.

Professional Development Workshops are not intended to replace the participant's need for personal financial education and will not count toward the participant's ten hours of financial education in some situations.

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Eligible Uses of Funds

Asset Goal	How Is This Goal Defined?	What Costs Can Be Paid by the IDA?
Homeownership	<ul style="list-style-type: none"> • First-time homebuyer only (defined as having had no ownership in a home for three years before entering a sales-contract on an AFI-qualified home). • The home being purchased must be the participant's main residence. • The sales price of the house should not exceed 120% of the average price for a home in that area. 	<ul style="list-style-type: none"> • Down Payment • Settlement Fees • Loan Fees • Inspection Fees • Home Warranties • Other closing costs • Reconstruction of the newly purchased home
Post-secondary Education or Training	<ul style="list-style-type: none"> • Expenses are paid to an eligible educational institution • The institution is either a college/university or a vocational school as defined by the Higher Education Act or by the Carl D. Perkins Vocational and Applied Technology Education Act 	<ul style="list-style-type: none"> • Course fees • Books and supplies • Test fees • Costs of courses for professional licensing examinations • Special equipment, including a computer and software • Tuition and fees (associated with enrollment or attendance at the school)
Microenterprise	<ul style="list-style-type: none"> • The business should be legally established and not in violation of any law or public policy • The owner must have business plan that has been reviewed and approved by a financial institution, microenterprise development organization, or nonprofit loan fund. • All asset purchases should be paid to a third party vendor. 	<ul style="list-style-type: none"> • Capital • Plant/office • Equipment • Working capital • Inventory • Licenses

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Qualified Withdrawals

Upon successful completion of all program requirements, the participant may request a qualified withdrawal to purchase a desired asset. The following documentation must be present before authorization for a qualified withdrawal can be made by Back on Track staff:

- Proof of completion of ten hours of financial education
 - Courses should include the following topics: budgeting, saving, and credit repair
 - At least four of the ten hours must have been completed within the time that the participant was enrolled in Back on Track. Any hours of financial education received prior to the participant's enrollment in Back on Track must have occurred no more than six months before the participant opened his/her IDA.
- Proof of completion of eight hours of asset specific training or its equivalent
 - Eight hours of course work or one-on-one training is required for participants requesting to withdrawal funds for a housing purchase.
 - Participants using their IDA for small business must submit a business plan that has been reviewed and approved by a financial institution, a microenterprise development organization, or a nonprofit loan fund having demonstrated fiduciary integrity. The business plan must include a description of services or goods to be sold, a marketing plan, projected financial statements, and a list of items to be purchased with Back on Track funds. Items listed to be purchased need to be appropriate and a necessary purchase for the small business.
 - The business must be legally established and not in violation of any law or public policy. Documents verifying legitimacy of a business status can include, but are not limited to, business income tax returns, business registration, or occupational licenses.
 - Participants using their IDA for school purchases must submit a completed education plan. The education plan will be reviewed by Back on Track staff for completeness prior to the participant's withdrawal request being approved.
- Verification that the participant's account balance is sufficient to cover the participant's cost of the purchase.
 - In the case of education and business purchases, participants will be responsible for covering 1/5 of the purchase total. Homeownership purchases will require participants to cover 1/3 of the purchase total.
 - Each qualified withdrawal will be funded using three sources: the participant's IDA, AFI grant dollars, and local dollars.

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- If the participant's most recent bank statement shows a balance that is the same as, or greater than, the participant's cost of the purchase and no emergency withdrawal has been authorized since the last bank statement no other documentation is necessary.
 - If the most recent bank statement does not show that the participant has a balance at, or greater than, the participant's cost of the purchase being requested, the participant must provide verification that he/she has made additional deposits into the IDA. Written verification from the financial institution of the updated balance will be required.
 - Proof the account has been opened for a minimum of six months
 - Verification of account history can be found in the bank statement section of the participant's Back on Track file as well as by looking the participant up in Back on Track's database.

Steps for requesting a qualified withdrawal include the following:

1. Participants should meet with Back on Track staff prior to their first asset purchase in order to discuss the participant's graduation plan. Only participants who have discussed their graduation plan with Back on Track staff will have a purchase request processed. Participants may revise their graduation plan at any time.

As part of the graduation plan, participants should note that Back on Track must approve of both the asset purchase, as well as the vendor receiving funds for the asset purchase. Participants requesting qualified withdrawals for educational expenses must use an eligible educational institution to complete the purchase. Exceptions to this rule may be made when the purchase request is for a qualified asset (as specified in the Eligible Use of Funds table) that **cannot** be purchased from the educational institution being attended by the participant. For example, a participant that requires books and supplies for his/her course work but whose school does not have a bookstore may, instead, use his/her IDA for a purchase from an alternative vendor if school personnel provides documentation stating that students are unable to make the required purchases through the school.

2. The enrolled participant must submit to Back on Track staff the following information at least 14 days prior to the date the check will be available:
 - An invoice for the item(s) to be purchased
 - i. Invoices must clearly state the name of the vendor, items to be purchased, and the final sale price. Checks will only be cut for the amount that appears on the submitted invoice.
 - ii. Items to be purchased from individuals must also be accompanied by a written declaration, signed by the participant and the vendor, that the vendor has no familial relationship with the participant.
 - iii. Prior to requesting an invoice, the method of payment Back on Track uses should be discussed with the vendor. The participant is responsible for ensuring that the vendor will accept Back on Track's approved method of payment. If a wire transfer is require, the participant will be responsible for paying the associated banking fee.
 - iv. The name, phone number, and address of the vendor through which the purchase will be made

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This information is necessary in order to process the withdrawal request. Contact information is required so United Way of the Bluegrass can request a W-9 from the vendor. Overseas vendors will be required to submit documentation equivalent to an IRS W-9. Vendors from a foreign state in which a trade embargo has been placed by the United States Department of Commerce are not eligible vendors. Compliance with importing rules and regulations are the responsibility of the business participant. A customs broker, qualified attorney, or United States Customs and Boarder Protection agent must be consulted at the expense of the business participant.

3. Purchase requests should be grouped together by vendor. If more than one item is to be purchased from the same vendor, every effort should be made to include all the items required on the same invoice.
4. Purchase requests of less than \$100 are strongly discouraged unless the participant has less than \$33 in his/her Individual Development Account or has received permission from Back On Track staff to make the smaller purchase.

Back on Track staff will review requests for withdrawals in the order that they were received. Staff members will screen each request to ensure that appropriate documentation has been submitted, that the purchase is an ordinary and appropriate part of the asset purchase, that the expense is allowable under the Assets for Independence Act, and that the purchase is supported by the participant's graduation plan (ex: supported in business plan or education plan).

Refunded or Incomplete Qualified Purchases:

A request for a qualified withdrawal should not be made before the participant is certain that he/she is ready for the purchase. Purchases should be made within one week of the participant's qualified withdrawal. In the event that the purchase does not take place within one week, the participant must redeposit his/her cashier's check back into the savings account and must return the check from United Way of the Bluegrass. Failure to do this within one month of receiving the qualified withdrawal will result in Back on Track staff exiting the participant from the program.

Qualified withdrawals that are used by the participant for a purchase that is later returned or refunded must be distributed back to both the participant's account and United Way of the Bluegrass' reserve account. Participants must notify Back on Track staff within a week of receiving the refund. Both accounts – the individual's account and reserve fund – must be refunded for the same amount that was initially withdrawn to make the purchase. United Way of the Bluegrass is not responsible for late fees, cancelation fees, or any other fees incurred by the participant as part of his/her asset purchase. In the event of such fees, participants are personally responsible for the balance due.

Graduations

An individual is considered a graduate of Back on Track when he/she has completed the graduation plan and has completed all of the planned qualified withdrawals. If money still remains in the savings account following the last planned withdrawal, UWBG will ask the financial institution holding the account to remove UWBG's name from the account.

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The graduate will then have access to all of the remaining funds in his/her account. UWBG hosts annual graduation ceremonies to honor those who have completed the program and acquired their asset.

Emergency Withdrawals

An emergency withdrawal from the participant's account may only be made for the following reasons:

- Medical expenses for the participant, participant's spouse, or participant's dependent
- Rent or mortgage payment to prevent eviction or foreclosure
- Vital living expenses (such as utilities, food, etc.) following loss of employment

Emergency withdrawals from the individual's account are discouraged, yet should this be necessary for immediate financial resources UWBG will expedite all requests as quickly as possible.

Steps for requesting an emergency withdrawal include the following:

1. Participant must inform Back on Track staff as soon as possible of the need for an emergency withdrawal.
2. Participant should work with all available resources, including United Way 2-1-1, before submitting request for emergency withdrawal. Participants that request an emergency withdrawal prior to speaking with 2-1-1 will be transferred to a 2-1-1 operator for potential referrals prior to the approval of the emergency withdrawal.
3. When other avenues or assistance have been exhausted, the participant must complete an Emergency Withdrawal Request Form. Documentation of the need should be attached to the form when available (notice of eviction, medical bill, etc.). When documentation is not available such as is the case after a job loss, the participant must sign and date a written statement explaining his/her financial situation.
4. Emergency withdrawal requests will be reviewed and approved or denied by Back on Track staff. Participants with approved requests will be able to pick up the Emergency Withdrawal Request Form, signed by Back on Track staff, and take it to the financial institution to complete the requested withdrawal of his/her savings.
5. Participants have 12 months to repay in full the emergency withdrawal. If the participant has not made a full repayment after 12 months he/she may be exited from the program.
6. Participants may not make another emergency withdrawal within one year of their previous emergency withdrawal.

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Unqualified Withdrawals/ Voluntary Exits

An unqualified withdrawal is any withdrawal request a participant makes from his/her savings account which is neither for emergency situations nor for a qualified asset purchase. Any unqualified withdrawal request will result in termination from the program.

Unqualified withdrawals must be acknowledged by Back on Track staff in order for the participant to access his/her savings. The participant must submit an Unqualified Withdrawal of Funds form to Back on Track staff which must be signed by the Back on Track Coordinator. This form, when taken to the bank, asks the bank to release all funds from the individual's account directly to the participant.

In an effort to curb demands for unqualified, non-emergency withdrawals, Back On Track highly recommends that participants maintain an additional savings account, separate from his/her matched savings account.

Participants that are exited from the program forfeit their access to any matching funds. Back on Track staff will request that the bank remove United Way of the Bluegrass as the custodian on the participant's account and release all of the participant's savings back to the account holder.

Leave of Absence

Enrolled participants who are having difficulty meeting the recommended \$30 monthly deposit and are falling behind on their savings goals as stated in his/her Individual Savings Plan may request a leave of absence from the program. A leave of absence is the option of "last resort" and should be used to prevent a participant from leaving or being exited from the program due to a temporary set-back. During the approved leave of absence, the participant will not be required to continue his/her monthly savings, financial education, or asset-training. The participant's account must remain open and in good standing with the understanding that the participant will begin contributing to the account again after his/her leave of absence has expired. Parameters for a leave of absence include the following:

1. Participants request in writing a leave of absence from the program.
2. Possible reasons for requesting a leave of absence include, but are not limited to, loss of employment, temporary relocation, or medical emergencies.
3. The leave of absence may last up to a maximum period of three months.
4. A participant may request no more than two leave of absences while participating in the program. Each leave of absence may last no longer than three months. When necessary, a participant may request to use both of his/her leave of absences consecutively.
5. UWBG retains authority to approve or deny at its own discretion all leave of absence requests on a case by case basis.

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6. If, after the second leave of absence has expired, the participant is not ready to re-enter the program he/she may be exited from the program. Participants are encouraged to remain engaged with Back On Track staff to re-apply for the program at a later time.

Participant Exits

Participant exits occur when enrolled program participants fail to comply with program requirements. Participants may be exited from Back on Track by the program staff for the following reasons:

1. Participant has not opened his/her account within one month of the Back on Track orientation session and has not communicated with Back on Track staff an explanation on why the account was not opened.
2. Participant has missed three consecutive monthly deposits without informing Back on Track staff of any extenuating circumstance.
3. Participant has failed to repay emergency withdrawal funds in twelve months.
4. Participant is not ready to re-enter the program after the second leave of absence period ends.

The following areas of concern will be addressed in monthly check-ins. These key activities are considered core for successful program completion:

5. Participant failing to identify or attend financial education/ asset-training 6 months after enrollment date.
6. Participant not completing check-ins with program staff for three months and being unresponsive to staff efforts at communication (if staff cannot reach a participant by phone, alternative avenues of communication will be attempt, including mailings and emails).

Participants that are exited from the program forfeit their access to any matching funds. Back on Track staff will request that the bank remove United Way of the Bluegrass as the custodian on the participant's account and release all of the participant's savings back to the account holder.

United Way of the Bluegrass Responsibilities to Participants

The Back On Track IDA program is a partnership between UWBG and local partner agencies. In this partnership, UWBG will have the following responsibilities:

1. Review and approve candidate applications for participation in the program.
2. Review and approve all participant requests for a Leave of Absence. UWBG also has final authorization to terminate participants from the program if necessary.

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3. Provide match funds for enrolled participant accounts in a ratio of \$2 for every \$1 saved by the enrolled participant saving toward the purchase of a qualified expense for homeownership
 4. Provided match funds for enrolled participant accounts in a ratio of \$4 for every \$1 saved by the enrolled participant saving toward the purchase of a qualified expense for post-secondary education or business capitalization.
 5. Monitor enrolled participants' account activity and provide monthly reports to partner agencies on the progress of their enrolled participants.
 6. Approve withdrawal requests for a qualified asset purchase and process emergency withdrawal requests to access the enrolled participant's deposited funds.
 7. Perform a 6 month review, including possible credit checks, for all program graduates for a period of up to 2 years to ensure that participants are successfully maintaining a purchased asset. UWBG will connect graduates with appropriate supporting agencies if necessary.

In addition to the responsibilities detailed above that UWBG has as a grantee, Back on Track staff may also fulfill the partner agency responsibilities listed below. Each participant will have at least one support coach assigned to him/her. This support coach may be from a partnering agency or may be a UWBG staff member.

Partner Agency Responsibilities

The Back on Track program is also administered through selected partner agencies that work with participants towards attaining economic self-sufficiency. This program is intended to supplement and work in tandem with other services provided by the selected partner agencies to offer a comprehensive strategy for low-income individuals and families to achieve self-sufficiency. Each partner agency organization is responsible for the following:

1. Review candidate applications including earning statements, tax returns, and list of assets and debts, before sending applications to UWBG for final approval for enrollment into the Back On Track program.
2. In cases where candidates have not been accepted by UWBG into the program, continue to work with them to position them to be successful applicants and participants at some future time. With the partner agency, candidates are encouraged to address barriers to success and to make application again, if appropriate.
3. Assist participants, if necessary, with opening his/her account at an approved financial institution.
4. Develop an Individual Savings Plan with each enrolled participant. The plan must identify:

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- a. A monthly savings amount of at least \$30 of earned income every calendar month.
 - b. The savings goal.
 - c. An action plan that outlines the activities necessary to prepare the participant to reach the identified goal. This would include required training, credit repair, etc.
5. Assist with application of the EITC, if eligible, to augment savings.
 6. Provide training or partner with an organization that can provide at least 10 hours of training in basic financial management including topics such as personal financial management training, budgeting and credit repair, loans and grant resource development, and personal financial planning.
 7. Provide training or partner with an organization that can provide at least 8 hours of training specific to the identified asset that the participant is working towards.
 8. Provide an optional recommended peer support group for enrolled participants.
 9. Distribute the recommended monthly participant responsibility “checklist” to help participant ensure he/she is fulfilling monthly individual responsibilities.
 10. Maintain files that include documentation of income eligibility, savings goal, Individual Savings Plan, financial information, records of training attendance, progress and follow-up reports on the use of the funds.
 11. Work with enrolled participants to implement the Individualized Savings Plan.
 12. Assist participants in requesting funds from Back On Track to secure the asset. Enrolled participants can only withdraw funds for the asset purchase upon completion of all training and after making monthly deposits for a minimum of six months.
 13. Work with participants to physically obtain the identified asset, including but not limited to filling out of all necessary paperwork, forms or applications related to the purchase of a particular asset.
 14. Encourage and assist participants who are having difficulty saving for one asset goal to consider switching to another goal that would require less saving (as appropriate). For example, encourage participants who cannot save enough to purchase a home to consider using savings for postsecondary education. In such cases, the participant would need to receive the appropriate asset training for the new goal.
 15. In the case of a request for an emergency withdrawal of funds, work with the enrolled participant to find alternative means of addressing the emergency, including United Way 2-1-1. If no alternative means exist, the partner agency will assist the enrolled participant in requesting an emergency withdrawal of the participant’s funds from the savings account.

Financial Institution Responsibilities

Traditional Bank and PNC Bank will serve as the lead financial institutions for the program, and will have the following responsibilities:

1. Establish the Reserve Fund to hold both the nonfederal cash contribution and Federal funds in the name of UWBG. The Reserve Fund is a separate fund from the participant's individual savings accounts, and at no time will these funds be comingled.

Alternative financial institutions may be incorporated into the program as needed. Each financial institution partnering with UWBG for Back on Track will have the following responsibilities:

2. Establish interest-bearing savings accounts (subject to change due to market rates) for Back on Track participants with no monthly fees and a \$5 minimum balance.
3. Provide account activity to participants and to UWBG.
4. Release authorized funds from a participant's account and matching funds from the Reserve Fund to appropriate Third Party vendors upon participant's successful completion of the program. Funds will only be released upon authorization from the Back On Track Coordinator.
5. Release individual funds to participants who have either voluntarily resigned from or exited from the program.

Partnering financial institutions have reserved the option to exercise their rights regarding **ANY** and **ALL** terms applicable to bank accounts. Participants are bound by any terms which may apply.

Beneficiary Designation

The participant may designate someone as the beneficiary of his/her savings. In the event of the participant's death, if he/she designates another eligible individual as the beneficiary that person will receive both the participant's savings and earned match, provided the beneficiary satisfies all of the program's requirements. If the participant designates someone who is not eligible for the program, the beneficiary will receive **ONLY** the participant's individual savings and **NO** matching funds.

Staff Confidentiality

Please refer to UWBG's adopted confidentiality policies for information regarding staff confidentiality.

Non-Discrimination Statement

United Way of the Bluegrass Back On Track prohibits discrimination in all of its programs and activities on the basis of race, national origin, color, creed, religion, sex, age, disability, veteran status, parental status, sexual orientation, gender identity, or associational preference.

Right to Appeal

Participants have the right to appeal any decision within 15 days of the date of the decision. The appellant must submit a written declaration of the appeal to the Director, Community Impact of United Way of the Bluegrass. The appellant must explain which decision is in question and why it is being appealed.

Revisions to Policies and Procedures

Revisions to the Back on Track Participant Handbook must be communicated to both enrolled participants and agency partners. All policies and procedures should include the date of last revision.