



To: Individual Development Account Administrators **Program Guidance: IDA-020-03**
From: Community Programs Division
Release Date: October 27, 2020
Effective Date: October 28, 2020
Subject: Vehicles, Client Tracking and Foster Children

In order to reduce unnecessary burdens on IDA Administrators and Participants, starting October 28, 2020 the following guidance in effect:

Vehicle Purchase

Starting with the IDA016 Program Manual, a motor vehicle became an eligible asset purchase in the IDA program, as long as the vehicle is meant to “transport the individual to and from work, postsecondary education, or an accredited or licensed training program intended to lead to employment of the individual or a dependent of the individual,” (IC 4-4-28-8).

In the IDA016 Program Manual and manuals for the following two program years (IDA018 & IDA019), a limit was set for how many IDAs could be used for vehicle purchase: “Accounts established for motor vehicles must represent less than 30 percent (30%) of all the accounts available to the agency for the grant year.”

That rule no longer applies; there is now no limit to the percentage of awarded IDA accounts that can be established for vehicle purchases.

Client Information Tracking

As of the date of this guidance, IDA Administrators are no longer required to use Outcome Tracker for participants matched under the IDA018, IDA019 or IDA020 awards. Information on clients from IDA015, IDA016 and IDA016FT awards must still be tracked in Outcome Tracker through June 2021. Starting July 2021, IDA Administrators will no longer have access to the Outcome Tracker system at all.

The Match Claims Tool will replace the Outcome Tracker system for client information tracking for IHCD's purposes. IDA Administrators are required to use the Match Claims Tool for all match claims on all awards and will be required to submit a final version of the Tool during each grant closeout period. That final Tool report must show all match accounts as closed and reflect the same amount in funding claimed as is logged in IHCDOnline.



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If any Administrator is concerned about the impact the Outcome Tracker phaseout will have on their IDA program, please contact IHCDCA immediately.

Foster Children and Household Makeup

In the IDA program, an applicant's household must be considered for the following two eligibility criteria:

1. **Household Income:** income limits are set for an applicant's entire household, not just for the applicant's individual income.
2. **No Previous IDA:** no one in an applicant's household may have opened an IDA in the past.

According to the IDA Program Manual, a household is defined as "all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals. Household members benefit from shared income and resources and contribute financially to each other's needs and expenses. This designation may include the prospective participant, his or her dependents and other household income contributors such as a spouse, partner, ex-spouse or ex-partner, parents or other relatives."

Based on that definition, a foster child could be considered a part of the household of any family they are currently placed with and would be subject to the two rules stated above.

However, IHCDCA recognizes that children in the foster program face unique challenges compared to other dependents. **With that in mind, for children in the foster system that are interested in participating in the IDA program and meet all other program eligibility requirements:**

1. **Household income:** a foster child may be considered head of their own household, separate from the household they are currently placed in.
2. **Previous IDA experience:** a foster child may still be eligible for an IDA, even if someone in their family placement currently has or had an IDA in the past.

These exceptions are ONLY for foster children interested in the IDA program. No other children are subject to these rule changes, nor are adult foster parents.

IDA Administrators should pay particular attention to asset purchases made by foster child participants; purchases must only directly benefit the foster child participant or their dependent, and not a foster parent.

Foster Child Residency

In most circumstances, if an IDA participant moves from Indiana, they must be automatically terminated from the IDA program. However, IHCDCA recognizes that foster children in Indiana are sometimes put into the homes of family outside of Indiana temporarily, and then move back after some time. Unlike other individuals that move out of Indiana, in most cases this situation is completely out of a foster child's control.

For that reason, IHCDCA will allow Administrators to give foster children who participate in the IDA program a six-month grace period if they temporarily move out-of-state. That means if a foster child who is approved into the IDA program and has started saving towards

their asset purchases unexpectedly moves out of Indiana, the Administrator may approve keeping their accounts open for up to six months. If the foster child returns to Indiana within those six months, they may continue their participation in the IDA program as before. If the foster child does not return within six months, their accounts must be closed; any savings must be returned to the foster child and any match must be returned to IHCDA.

During that six-month grace period, while the foster child is living outside of Indiana, no asset purchases may be approved.

Treating Dependent Income

For individuals that have dependents in their household, that dependent must be counted towards the household member total. However, there are certain circumstances when any income earned by the dependent does not need to be counted towards an IDA applicant's household income total:

- Income for high school students who are a dependent member of the household is never counted, even if the dependent is over 18. Proof of enrollment in school or report card must be provided.
- Income from a full-time college student, up to age 23, who is a dependent of a member of the household should not be counted. Proof of student status, such as a schedule or letter that he/she is enrolled for 12 credit hours or more per semester, must be provided.

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