

The Vermont **Individual Development Account** program gives low-to-moderate income individuals and families an opportunity to invest in themselves & their communities & move out of poverty.



# THE VERMONT IDA PROGRAM

**BUY A HOME • CAPITALIZE A BUSINESS • INCREASE EDUCATION OR JOB SKILLS**



*Elizabeth Johnson, Owner  
Dreamtime Designs*

Elizabeth (Ellie) Johnson launched her new business as a graphic designer and business consultant through the IDA program at Southeast Vermont Community Action (SEVCA), one of the state's five community action agencies.

Ellie, a single mother of two young children, experienced some huge obstacles to fulfilling her dream of starting her own business: a difficult pregnancy,

a serious health challenge (which turned out to be Lyme disease), unemployment, and even homelessness. Yet she was determined to succeed.

She turned to SEVCA's IDA program, opening her account and saving diligently. Next she worked with the Micro Business program to help her develop a business that would use her creativity and organizational skills while accommodating her new physical limitations.

Only a few months later, Ellie is on the verge of becoming self-sufficient. She reacted with shock when told that federal funding for the program was cut: **"It would be a travesty not to have this program! The IDA is not a band-aid, it's actually a solution, a platform for economic growth."**

The name of her business is Dreamtime Designs. Her market is small business owners, and individ-

uals who are looking for a unique take on marketing and design and consultation with a flare.

For example, Ellie helped revitalize KidsPLAYce in Brattleboro, a nonprofit that had been rundown and was on the verge of closing. She created a design of the new space and found the people to make it happen, she made posters and signage by hand and people responded; the group's profits doubled in one year.

In a letter to SEVCA, Ellie wrote, **"I couldn't have imagined such a profound shift could have happened in me from saving some money and writing a plan. I have a new-found confidence and a new-found network of people rooting for my success."**

## **Asset Building Cumulative Outcomes 1997-2017**

**959 Vermonters successfully completed the IDA program, using \$2,652,377 in savings and match funds:**

**546 Business—  
invested \$1,505,752**  
**221 Education—  
invested \$576,14**  
**192 Homeowners—  
invested \$570,479**

## **FY 2017 Outcomes**

**56 Vermonters invested \$148,171 in savings and match:**  
**29 Business \$72,945**  
**17 Education \$45,153**  
**10 Homes \$30,037**

➔ **Financial Education** is an integral part of the IDA program providing the cornerstone for financial capability. Participants gain an understanding of their money habits and beliefs, then use that knowledge to set financial goals, choose a budget system that works for them, and develop savings strategies. Additionally, they learn methods to build or repair credit, reduce debt, and plan for future financial needs.

We have seen excellent results in family and individual economic stability when participants take to heart the information, tools, and encouragement we offer in our classes and through our 1:1 coaching.

**The Vermont IDA is a successful anti-poverty program poised for transition in 2018.** Our community action agencies believe building and protecting assets lead to great financial security.

Therefore, we propose the creation of an expanded IDA, **The Vermont Matched Savings Program** which broadens the use of savings and match to home repairs and weatherization, automobile purchases for work, and emergency savings for piece of mind.