

# Family Development Account Program

---

**FY 2017 Guidelines and Application**

---

**Business and Community Services**  
P.O. Box 118 • Jefferson City, MO 65102  
(573) 751-4539 • FAX (573) 522-4322



# TABLE OF CONTENTS

Tax Credit Accountability Act of 2004 .....	2
Purpose.....	3
Program Assumptions.....	3
Program Outcomes.....	3
Definitions.....	5
Applicant Eligibility.....	5-6
Qualifying Individuals / Family Members.....	6-7
Eligible Use of Family Development Accounts .....	8
Funding and Distribution .....	8
Sample Budget .....	9
Fiscal Requirements.....	10
Requirements of the Applicant Organization .....	10-11
Requirements of the Saver .....	12
Requirements of Financial Institutions .....	12-13
Closure of a Family Development Account.....	13
Special Conditions of the Family Development Account.....	13
Eligible Contributors.....	14
Claiming the Tax Credit.....	14
Verification of Tax Credit.....	14-15
Submitting Your Proposal.....	15
Proposal Rating.....	15-16
Application Instructions.....	16
Notification of Award .....	16

## **Statutory Notices**

### **A. Changes in Processing of Tax Credits (Section 135.815, RSMo)**

Before tax credits can be issued, the Missouri Department of Economic Development (DED) is required to verify with the Departments of Revenue and Insurance that the applicant does not owe any delinquent income, sales, use, or insurance taxes, as well as interest or penalties on such taxes. If a delinquency exists, the amount of any tax credits issued will be reduced by the delinquent amount. Should any credits remain after satisfying any delinquency, such credits will be issued. Further, any applicant who purposely and directly employs unauthorized aliens will forfeit any credits that have been issued, but not redeemed, and shall repay the amount of any redeemed credits during the period of time any such alien was employed by the applicant.

### **B. Reporting Requirements (Section 135.805, RSMo)**

Pursuant to Section 135.805, RSMo, for a period of three years following the issuance of tax credits, a tax credit recipient shall submit annually to the Department of Revenue, information pertaining to the project for which Neighborhood Assistance Tax Credit Program (NAP) credits were issued. Section 135.805(10) RSMo clarifies that “no person or entity shall be required to make an annual report until at least one year after the credit issuance date”; therefore, a tax credit recipient is likely to only be required to submit two (2) annual reports during the three years following issuance. The approved NAP organization shall report the actual number of jobs created as a result of the tax credits on the last day of the annual reporting period, separated by part-time permanent and full-time permanent for each month of the preceding twelve-month period. Also, because NAP is a community development tax credit, a recipient shall, for the reporting periods, confirm the title and location of the project, the estimated or actual time period for completion of the project, and all geographic areas impacted by the project.

For approved FY2016 projects, the report required by this section shall be due annually on June 30. Because a full year must pass after the issuance of the tax credits before reporting is required, the first report will not be due prior to June 30, 2017.

### **C. Penalty Provisions (Section 135.810, RSMO)**

Once credits have been issued, any failure to meet the annual reporting requirements, or any determination of fraud in the application process, shall be subject to the incremental penalties provided in Section 135.810, RSMo. Failure to report for more than six months, but less than a year, shall result in a penalty of 2% of the value of the credits for each month of that delinquency. Failure to report for more than a year shall result in a 10% penalty for each month of delinquency up to 100% of the value of the credits. Any fraud in the application process will result in a penalty equal to 100% of the credits issued.

### **D. Closed Records (Section 610.255, RSMo)**

Records and documents submitted as part of an application for tax credits to DED are closed records until such time as the information no longer concerns a pending application (i.e., where no credits have yet been authorized). DED retains the authority to close records or documents that “relate to financial investments in a business, or sales projections, or other business plan information which may endanger the competitiveness of a business” or as also provided by law. In the event a document or record contains both open and closed records, DED will provide a redacted version of such record or document in order to protect otherwise closed information.

# **FAMILY DEVELOPMENT ACCOUNT PROGRAM**

---

## **PURPOSE**

The Family Development Account (FDA) Program is a matched savings program administered by the Missouri Department of Economic Development. The program is a community building initiative established for the purpose of promoting self-sufficiency through asset-development for low-income Missourians.

The FDA Program awards tax credits to approved community-based organizations. The tax credits are used to leverage donations that will serve as a match for individual savings in a family development account. The matched savings can be used to help finance the purchase of a primary residence, make repairs to a home, pay for educational expenses, pay for job training, and promote small business development.

Using the program guidelines, community-based organizations are encouraged to exercise flexibility and creativity to design and implement a FDA project that best suits the needs of their local communities.

## **PROGRAM ASSUMPTIONS**

The FDA Program believes the following to be true:

- People with low incomes wish to create value and move toward economic independence.
- Saving and asset building are the means and measures of community and economic development.
- FDAs and asset building are investment strategies that, if appropriately designed, should produce returns for all investors.
- FDAs develop and reaffirm strong habits for saving money and investing in the future of participants.
- FDAs promote individual employment because deposits generally come from earned income.
- FDAs help reduce dependence on state and federal programs, increase employment opportunities, spur business opportunities in poor communities, and foster revenue growth.
- FDAs help rejuvenate neighborhoods through small business development and home ownership.
- FDAs help move people above the poverty level by opening avenues to self-employment, higher education, and home ownership.

## **PROGRAM GOALS**

The FDA Program has identified the following program goals as areas the program will impact:

- Decrease the number of Missourians receiving public income support.
- Increase the number of Missourians with incomes above 100% of the poverty level.
- Increase the number of Missourians who become homeowners.
- Increase the number of Missourians over age 25 completing 14 years of education.

- Increase the number of Missourians operating a small business.
- Decrease the number of communities with a high concentration of poverty.

## **DEFINITIONS**

The following words and phrases when used in these guidelines shall have the meanings given to them in this section unless the context clearly indicates otherwise.

**DED** - Department of Economic Development

**FDA Program** - Family Development Account Program

**Saver** - The individual or family who resides in Missouri and who meets the income eligibility requirements for participation in an approved account program.

**Account** - A family development account at a financial institution that is approved by the DED and which is maintained by the saver as part of an approved account program for the restricted purpose of providing funds for an eligible use.

**Reserve Fund Account** - An account established by the applicant to hold matching funds for the family development account and funds for administrative costs.

**Administrative Costs** - The cost of clerical support, administrative personnel, janitorial and maintenance services, office equipment and supplies, audits, fidelity bonds, space rental, insurance, conferences and transportation of staff.

**Applicant** - A community-based organization, an organization with a Chapter 352 status, or a nonprofit corporation formed under Chapter 355, requesting tax credits from the DED under the Family Development Account Program to leverage contributions to conduct and administer eligible program activities.

**Approved Plan with Saver** - The contract between the saver and the applicant that defines savings goals and program requirements, including the anticipated use of both the savings and the matching funds.

**Financial Institution** - Any bank, trust company, savings bank, credit union or savings and loan association as defined in Chapter 362, 369 or 370, RSMo.

## **APPLICANT ELIGIBILITY**

Applicant organizations must provide proof of registration with **E-Verify** and meet one of the following criteria to be eligible to administer a family development account:

- Be a religious or charitable association formed pursuant to Chapter 352, RSMo
- Be a nonprofit corporation formed under Chapter 355, RSMo

**E-Verify MOU** - All applicants must: 1) enroll in E-Verify, and 2) provide supporting documentation. All applicants must attach a copy of the E-Verify memorandum to be eligible for FDA.

The E-Verify Program, conducted jointly by the U.S. Citizenship and Immigration Services (USCIS) Verification Division and the Social Security Administration (SSA), is designed to provide employment status information to determine the eligibility of applicants for employment. E-Verify requires that participating commercial employers use the automated Verification Information System (VIS) to check the SSA and the USCIS databases to verify the employment authorization of ALL newly hired employees. An employer's participation in E-Verify is currently free. To access E-Verify, go to: <http://www.uscis.gov/e-verify>

To retrieve a copy of your electronically signed MOU:

- Wait until a you have received a confirmation email from E-Verify / USCIS that the Company is successfully enrolled in the program;
- Log back into the Account
- Click on “Edit Company Profile” in the left menu
- Click on “View MOU” button
- ONLY the Program Administrator can access the electronically signed MOU

For additional assistance, contact the E-Verify toll free Help line at (888) 464-4218.

## **QUALIFYING INDIVIDUALS/FAMILY MEMBERS**

An individual or family member may qualify to participate in a Family Development Account program if:

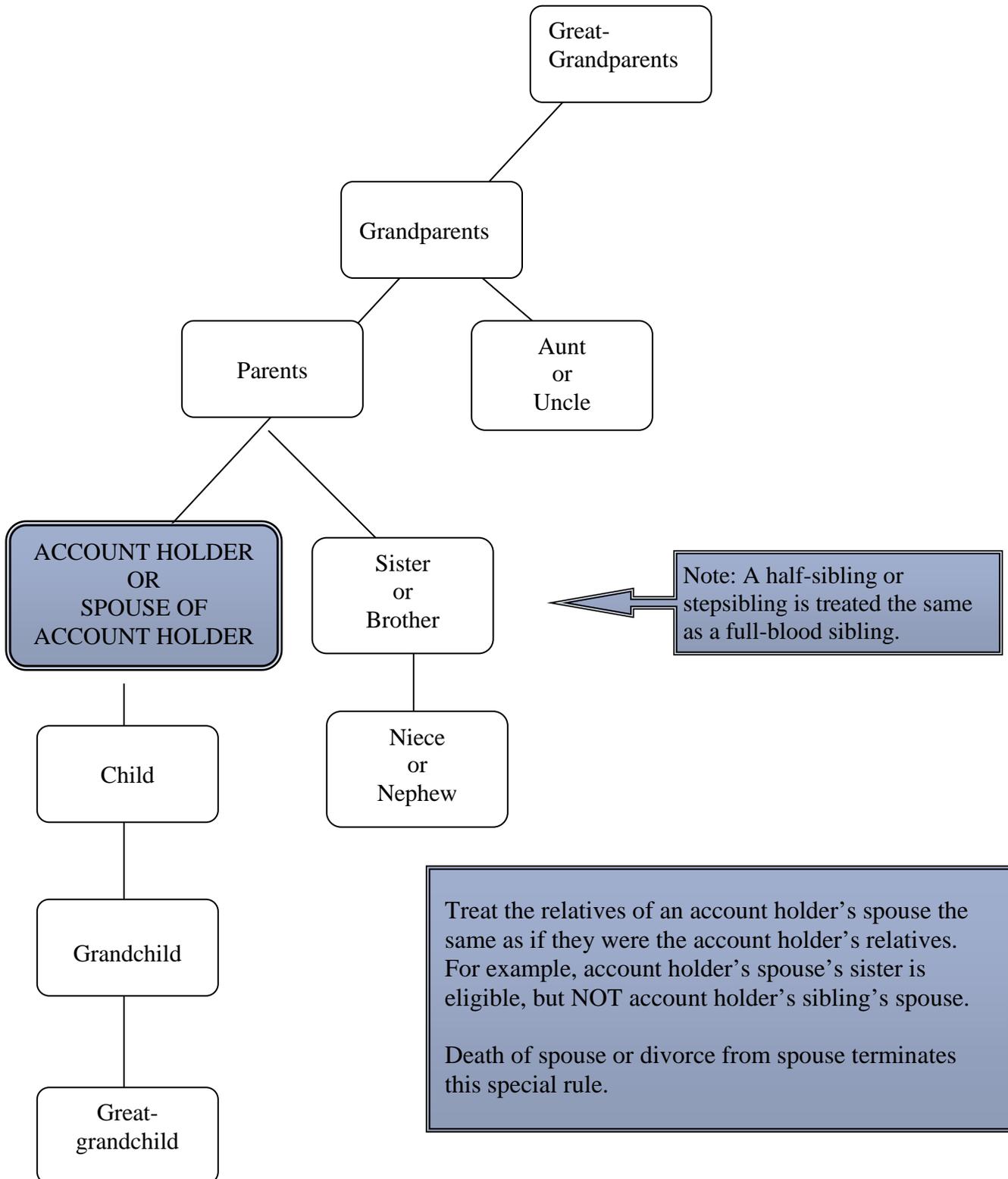
- The family or individual has applied and been accepted into a family development account program by a participating community-based organization approved by the Missouri Department of Economic Development.
- The household income is less than or equal to two hundred percent of the federal poverty level (see Department of Health and Human Services Poverty Guidelines chart). Income includes salaries, wages, dividends, Social Security, pensions or other cash receipts for the 12-month period immediately preceding the date of enrollment. Specifically excluded from consideration are welfare payments, Supplemental Security Income (SSI), Social Security Disability Income (SSDI) payments, state or federal training program stipends and unemployment compensation. Pay stubs, statement from employer, W-2 forms, Social Security Award letter or signed statements from the Social Security Office shall be adequate documentation.

### **Department of Health and Human Services 2015 Poverty Income Guidelines**

<b>SIZE OF FAMILY UNIT</b>	<b>POVERTY GUIDELINE</b>	<b>200% OF POVERTY GUIDELINE</b>
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 family units with more than 8 members, add \$4,160 for each additional member. For the 200% equivalent, add \$8,320.

The following chart lists family members for which a family development account may be established, as long as those family members reside in the same household. For example, an account holder may establish a family development account for a niece or nephew residing in the same household. The family development account savings may be used to pay any eligible activity for that niece or nephew.



## **ELIGIBLE USE OF FAMILY DEVELOPMENT ACCOUNTS**

Families or individuals approved for a family development account may use their savings, including the matching funds contributed by the approved FDA applicant, to offset costs for the following:

- Educational costs for any family member at an accredited institution of higher education
- Job training costs at an accredited or licensed training program for any family member eighteen years of age or older
- Purchase of a primary residence
- Major repairs or improvements to a primary residence
- Start-up capital for a small business for any family member eighteen years of age or older

## **FUNDING AND DISTRIBUTION**

The DED has an annual allocation of \$300,000 in 50% tax credits to award to applicant organizations wishing to administer an FDA Program.

The applicant will be required to solicit contributions in order to provide the necessary matching funds for the family development accounts.

Applicants may submit an application for a project period of one or two years. A maximum tax credit amount of \$100,000 may be requested, enabling the organization to leverage \$200,000 in cash contributions, regardless of the project period. No more than 20% of total monetary contributions received may be used for administrative costs associated with the operation of the program during the first two years of the program.

An applicant may reapply to the FDA program in the third year of operation for a one or two year project. However, no more than 15% of total cash contributions received in the third year of operation and thereafter may be used for costs associated with administration of the program.

Should the project not meet anticipated fundraising or performance goals, the DED reserves the right to recapture unused credits for reallocation.

The DED reserves the right to make conditional awards and to set policies and priorities for the FDA Program.

(See Sample Budget on next page)

**FDA SAMPLE BUDGET – TWO YEAR PROJECT**

<p>Family Development Account Program (FDA) applicants must submit a budget and justification to explain the line items that will be funded through FDA contributions. Program costs to be supported through the FDA program should be budgeted for a one or two-year period. Savings account matching funds and administrative costs are allowable expenses.</p>	
<b>FDA BUDGET LINE ITEM/CATEGORY AND JUSTIFICATION</b> <small>(INCLUDE ALL COSTS SUPPORTED THROUGH FDA CONTRIBUTIONS.)</small>	<b>TOTAL AMOUNT</b> <small>(ROUND TO THE NEAREST DOLLAR)</small>
<p><b>1. Matching Funds for FDA Savings Accounts</b></p>	<p><b>\$ 80,000</b></p>
<p><b>2. Administrative Costs</b> (the sum of lines A – E may not exceed 20% of your total budget for a first or second-year project and 15% for projects operating in a third year and thereafter).</p>	<p><b>ENTER TOTAL AMOUNT FOR EACH LINE ITEM</b></p>
<p>A. Salary - Project Administrator</p>	<p>\$ 8,000</p>
<p>B. FDA program audit</p>	<p>\$ 1,500</p>
<p>C. Professional Services - contract services for financial literacy classes; 2 instructors x \$4,000</p>	<p>\$ 8,000</p>
<p>D. Supplies - postage, paper, copies, brochures, handouts</p>	<p>\$ 500</p>
<p>E. Transportation for participants</p>	<p>\$ 1,000</p>
<p>F. Child care costs - for children of participants attending financial literacy classes</p>	<p>\$ 1,000</p>
<p><b>3. Subtotal Administrative Costs</b>                      Sum of administrative costs may not exceed 20% of the total budget during the 1st or 2nd year of the FDA program; 15% for projects operating in the 3rd year or thereafter.</p>	<p><b>\$ 20,000</b></p>
<p><b>4. TOTAL BUDGET (Sum of Lines 1 and 3)</b></p>	<p style="text-align: right;"><b>\$ 100,000</b></p>
<p><b>5. TOTAL TAX CREDITS (50% of the dollar amount on line 4)</b></p>	<p style="text-align: right;"><b>\$ 50,000</b></p>

**NOTE:** If the FDA application is approved, the proposed budget will become the approved project budget unless changes have been made during the review process by DED staff. Approved organizations will be notified of any changes. DED staff must approve all subsequent budget revisions in writing before funds are expended for line items other than those listed above.

## **FISCAL REQUIREMENTS**

The DED will maintain fiscal oversight of funds received through any allocation of tax credits for a period of five years. Such oversight may be extended if the applicant continues to participate in the FDA Program for a period longer than five years. The applicant will be responsible for all required reports related to the use and maintenance of funds in accordance with the FDA guidelines.

If an applicant chooses to terminate their participation in the FDA Program, the applicant must transfer all funds in their reserve fund accounts to an approved FDA Program applicant and/or administering organization in accordance with FDA Program guidelines. The DED will provide the applicant with the names of other approved FDA administering organizations located in the same geographic area. In addition, the applicant must ensure, in accordance with FDA Program guidelines, that the responsibility for the oversight of their participating savers' accounts is properly transferred to the approved FDA Program applicant(s) and/or administering organization(s).

## **REQUIREMENTS OF THE APPLICANT ORGANIZATION**

Organizations approved to administer an FDA project must:

- Utilize approved management information system software for tracking client data. Training in utilization of the software, to the extent such training is available, may be required.
- Submit contractual agreements between the applicant and a financial institution with the application and prior to opening FDA accounts with the financial institution. The agreement should identify the responsibilities of the applicant and the financial institution in promoting effective management of the family development accounts to ensure their safety and security.
- Establish two reserve fund accounts at an approved financial institution for contributions that will be used for administrative costs of the program and for matching funds.
- Recruit and screen individuals/family members to participate in the program.
- Develop an approved plan with each enrolled saver. The approved plan must identify:
  - (a) the minimum savings amount and the amount of money the saver intends to deposit to their savings account on either a weekly, bi-weekly or monthly basis;
  - (b) the purpose/specified end use of the savings and matching funds; and
  - (c) an action plan that outlines the activities and related resources necessary to prepare the saver to reach the identified goal of the approved plan.
- Solicit funds, using FDA tax credits as leverage, from qualified organizations, businesses, or individuals to match the funds in the saver's account.
- Provide a match of up to 3:1 for cash contributions deposited by a saver into their account. The saver may receive no more than a 3:1 match for deposits into the savings account. The 3:1 match includes the matching funds from the applicant participating in the FDA Program plus any matching funds from other organizations and the federal government.
- Deposit funds into the reserve fund accounts at least monthly.

- Submit written authorization to the financial institution for qualified withdrawals by a saver.
- Establish procedures for savers to be included in decisions regarding the investment of funds in the accounts.
- Provide a minimum of four workshops in basic economic literacy including such topics as personal management training, budgeting and credit repair, loans and grants resource development and personal financial planning.
- Establish a process for regular evaluation and review of family development accounts to ensure program compliance by savers. Maintain client files that include documentation of income eligibility, development plan, savings and financial information, progress and follow-up reports on the use of funds.
- Ensure that the saver's family development account does not exceed the maximum of \$2,000 in a calendar year and no more than \$50,000 total at any time.
- Monitor accounts to ensure funds are used within five years of the saver's initial approval for the FDA Program. If funds are not utilized within the five-year period, the account should be closed. Funds will be forfeited and reallocated under guidelines established by DED.
- Submit quarterly reports to the DED indicating: the number of accounts established, the amount of tax credits used, the amount of investment secured through the tax credits, participating financial institutions and any additional information that may be requested.
- Notify and request approval from DED in writing for any program and/or budget revisions.
- Submit completed tax credit applications along with required verification to DED.
- Submit a final project report, which includes a final project evaluation, within 120 days following the end of the project period.
- Submit a project audit performed by an independent certified public accountant at the end of the contract period. In order to keep audit costs to a minimum, DED will allow the project audit to be part of an overall agency audit that is performed annually. The FDA Program must be clearly designated in the agency audit, and specific findings with regard to the funds received and dispersed in the FDA Program must be included in the auditor's report. The audit will be due within 120 days of the termination of the contract. If the organization's fiscal year does not end on the same date as the FDA Program contract termination date, DED will grant waivers of the 120 day requirement to allow for the audits to be combined. An audit is not required if less than \$25,000 in tax credits is utilized.

## **REQUIREMENTS OF THE SAVER**

The saver (individual account holder) participating in an approved FDA Program shall:

- Open a family development account at an approved financial institution. All monies in that account, including interest earned, shall belong to the saver with the applicant as the custodian of the account.
- Identify a long-term benefit (eligible use) for the savings and the matching funds.

- Attend at least four financial literacy classes offered by the approved applicant, unless attendance in a similar training course for an equivalent amount of time can be documented.
- Limit deposits to not more than \$2,000 into the account in a calendar year. The total balance in an account at any time may not exceed \$50,000, including funds in the matching fund account.
- Withdraw funds only for approved expenses as stated in the guidelines. Savers who withdraw monies from a family development account for unapproved expenses will forfeit all matching funds, and the funds deposited in the account will be subject to taxation. All matching funds forfeited by the saver will be returned to the applicant's reserve account to reallocate to other matching fund accounts.
- Submit a written request to the applicant for funds from the account.
- Actively participate in the FDA Program for at least six months before making any withdrawals.
- Designate a contingent beneficiary in the event of the saver's death. The account holder must name the beneficiaries at the time the account is established but may change the named beneficiaries at any time. If the named beneficiary is deceased or otherwise cannot accept the transfer, the monies shall be transferred to the reserve fund account of the applicant.
- All withdrawals for qualified program purposes must be completed within five years of the saver's initial approval for the FDA Program. If funds are not utilized within the five-year period, funds will be forfeited and reallocated under guidelines established by DED.

## **REQUIREMENTS OF FINANCIAL INSTITUTIONS**

A financial institution establishing a family development account shall:

- Have an office located in Missouri.
- Be insured by the FDIC (Federal Deposit Insurance Corporation) or the FSLIC (Federal Savings and Loan Insurance Corporation). Credit unions must be insured by the NCUA (National Credit Union Administration). All financial institutions must be a federal- or state-chartered facility.
- Sign a participation agreement with the organization administering the FDA Program, pending approval from the DED.
- Maintain the reserve fund accounts in the name of the applicant.
- Maintain the accounts in the name of the saver, with the applicant designated as the custodian.
- Permit deposits to be made in the account by the saver or the applicant on behalf of the saver.
- Guarantee the family development accounts shall earn at least the market rate of interest.
- Permit the saver to withdraw monies from the account for approved purposes, but only with written authorization from the applicant.
- Provide savers and the approved FDA administrator with a monthly statement of all deposits into and withdrawals from each saver's account.

## **CLOSING A FAMILY DEVELOPMENT ACCOUNT**

The FDA applicant/administrator may close a family development account for any of the following reasons:

- The saver has withdrawn monies from the account for a purpose not authorized, or that monies have been withdrawn under false pretenses and have been used for purposes other than for the approved purposes indicated at the time of withdrawal.
- There has been no activity in the account during the preceding twelve months.
- The saver has not complied with the terms of the FDA agreement (between the saver and the applicant) after the saver has been provided a reasonable opportunity to comply with the agreement.

Matching funds will be forfeited if an account is closed at the saver's discretion prior to completion of the FDA Program, if the saver fails to meet the minimum savings amount established in the saver's agreement, if the saver fails to fulfill workshop requirements, or if the saver withdraws funds from the account for ineligible uses.

## **SPECIAL CONDITIONS OF THE FAMILY DEVELOPMENT ACCOUNT**

- Monies deposited in or withdrawn from a family development account are exempted from taxation pursuant to chapter 143 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265 RSMo, and chapter 147, 148 or 153, RSMo, provided, however, that any monies withdrawn for an unapproved use should be subject to tax as required by law.
- Interest earned by an account is exempted from taxation pursuant to chapter 143, RSMo.
- Any funds in an account, including accrued interest, shall be disregarded when determining eligibility to receive, or the amount of, any public assistance or benefits.

## **ELIGIBLE CONTRIBUTORS**

The following individuals or entities may make cash contributions, in exchange for tax credits, to an applicant approved by DED to administer a FDA program:

- Corporations
- Insurance Companies
- Express Companies
- Banks and other financial institutions
- Partnerships
- Limited Liability Companies
- Trusts or Estates
- Individuals
- Any other entities subject to tax under chapters 143 (excluding withholding tax imposed by sections 143.191 to 143.265), 147,148 and 153, RSMo.

If you have a question about whether an individual or entity is an eligible contributor, please contact the FDA Program **before** accepting contributions from the individual or entity.

## **QUALIFYING CONTRIBUTION TYPES**

- Cash (Check, credit card, or EFT)
- Stocks
- Bonds

## **CLAIMING THE TAX CREDIT**

FDA Program tax credits may only be used against certain Missouri State tax liabilities. A tax credit for qualifying contributions of up to \$50,000 may be claimed within a single tax year. The tax credit must be claimed for the year in which the contribution was made.

A program contributor will be allowed a credit equaling 50% of the contribution. The tax credits may be applied against the following state tax liabilities:

- Chapter 143, RSMo-corporate and individual state income tax, excluding withholding tax imposed by sections 143.191 to 143.265
- Chapter 147, RSMo-corporate franchise tax
- Chapter 148, RSMo-gross premium receipts tax of insurance companies and tax of banks and other financial institutions.
- Chapter 153, RSMo-gross receipts tax of express companies

FDA contributions may also be tax-deductible if made to a participating tax-exempt IRS section 501(c)(3) organization.

## **VERIFICATION OF TAX CREDITS**

Contributors must submit a tax credit application signed by the FDA project administrator to the DED. The tax credit application may be obtained from DED or from the administrator. The DED will send a certification to the contributor verifying the amount of approved tax credits and notify the Missouri Department of Revenue. The tax credit must be claimed for the tax year in which the contribution was made. FDA tax credits are **not** transferable.

## **SUBMITTING YOUR PROPOSAL**

The FDA Program accepts applications on an open cycle each fiscal year. This means that proposals will be accepted in Jefferson City at any time during the year. Applications will be reviewed on a first-come, first-served basis and credits will be awarded to qualifying organizations accordingly. If an organization qualifies for tax credits but there are no tax credits available at the time of application, the organization will be placed on a wait list to receive credits if they become available.

FDA Program applications should be mailed to:

Family Development Account Program  
301 West High Street  
Truman State Office Building, Room 770  
Jefferson City, MO 65101

Receipt of all applications will be acknowledged in writing.

## **Application Review**

The FDA Program Team will review applications in the following manner:

### **1. Initial Screening**

An initial screening will be conducted to determine if the applicant meets the basic eligibility requirements and that the application is complete. Any application that is incomplete, fails to answer any of the required items, and/or fails to submit required attachments will be disqualified from further consideration. The applicant will be notified if the application has been disqualified for any reason.

Applicants **must** be in Good Standing with the Secretary of State. To find out if your organization is in good standing, visit

<https://bsd.sos.mo.gov/BusinessEntity/BESearch.aspx?SearchType=0>

### **2. Proposal Review and Rating– Maximum Points: 100**

In reviewing the proposals of the community-based organizations, DED shall consider the following:

- Fiscal accountability of the applicant
- The ability of the applicant to provide or raise monies for matching contributions
- The significance and quality of proposed auxiliary services, including economic literacy seminars and their relationship to the goals of the FDA Program
- Partnering financial institutions
- Key persons involved in the administration of the FDA Program
- Targeted customers
- Project outcomes and performance targets

## **APPLICATION INSTRUCTIONS**

Read the application questions thoroughly and answer them as completely as possible. The focus should be on goals and outcomes.

Adhere to the following guidelines:

- The application must be typed, using a font size of at least 11 point.
- Answer every question fully and directly.

- Type the number and question above each response.
- Use only the forms provided for attachments, and double check to make sure all attachments are included.
- Submit **one, single-sided** copy of the application with **original** signatures.
- Faxed or emailed copies of the application will not be accepted.
- Keep a copy of the entire application, including all attachments, for your records.

## **NOTIFICATION OF AWARD**

Organizations selected for approval will receive notification from the DED as well as a contract. Organizations not selected for participation in the program will also receive written notification from DED.



**FOR STATE USE ONLY**

--

PROJECT #
-----------

**FAMILY DEVELOPMENT ACCOUNT  
FY2017 PROJECT APPLICATION**

P.O. Box 118, Jefferson City, MO 65102  
 Phone: (573) 751-4539 E-mail [fda@ded.mo.gov](mailto:fda@ded.mo.gov)  
 Internet: <http://www.ded.mo.gov/>

APPLICANT (OFFICIAL OR LEGAL NAME)		NAICS*	MITS/MO ID #	FEIN
STREET ADDRESS (DO NOT USE P.O. BOX)			P.O. BOX	
CITY		STATE	ZIP	
PROJECT DIRECTOR NAME (First, Middle, Last)		TITLE		
DAY PHONE	FAX	E-MAIL ADDRESS		
AGENCY DIRECTOR (First, Middle, Last)		DATE OF BIRTH		
ORGANIZATION SIZE (# of employees) <input type="checkbox"/> 100 OR LESS <input type="checkbox"/> 101 - 500 <input type="checkbox"/> 501 OR MORE				
ARE YOU CURRENTLY ORGANIZED IN THE STATE OF MISSOURI AS A RELIGIOUS OR CHARITABLE ASSOCIATION UNDER CHAPTER 352, rsmo or AS A NONPROFIT CORPORATION FORMED UNDER CHAPTER 355, rsmo? <input type="checkbox"/> YES <input type="checkbox"/> NO  IF YES, INDICATE THE DATE:  <p style="text-align: center;"><b>ATTACH A COPY OF YOUR ORGANIZATION'S ARTICLES OF INCORPORATION AND BYLAWS TO THE APPLICATION.</b></p>				
REQUESTED TAX CREDIT AMOUNT		REQUESTED BUDGET AMOUNT		
\$		\$		
<input type="checkbox"/> ONE (1) YEAR PROJECT		<input type="checkbox"/> TWO (2) YEAR PROJECT		

**\*Required.** NAICS (North American Industry Classification System), Missouri businesses are assigned a NAICS when the company files a "Report to Determine Liability Status" with the MO Department of Labor and Industrial Relations to determine Unemployment Tax Liability. If you do not know your organization's NAICS code, please contact the MO Department of Labor and Industrial Relations at (573) 751-3340. If your organization has not been issued a NAICS, please indicate N/A in the NAICS box.

## LITIGATION HISTORY

### 1) Organization:

- a. Has the organization ever been convicted of a violation of any state and/or federal laws?  
 Yes  No
- b. **If yes**, provide the date, the Court, the charges at disposition and the case number. Attach a separate sheet if additional space is required.

### 2) Principal (CEO, CFO, Principal, Managing Partner, and Executive Director):

- a. Has the “principal” ever been convicted of a violation of any state or federal law?  
 Yes  No
- b. **If yes**, provide the date, the Court, the charges at disposition and the case number. Attach a separate sheet if additional space is required.

### 3) Contact:

- a. Has the “contact person” or project administrator ever been convicted of a violation of any state or federal law?  
 Yes  No
- b. **If yes**, provide the date, the Court, the charges at disposition and the case number. Attach a separate sheet if additional space is required.

1. State the objective of your FDA project and its relationship to your organization.  
**Maximum Points: 5**
2. Discuss your organization's history and the services/products offered. Summarize two of your organization's past projects that are most similar to the proposed FDA project and the extent to which you achieved specific results related to fundraising and project goals.  
**Maximum Points: 10**
3. Describe your project's geographical service area boundaries.  
**Maximum Points: 5**
4. Describe the customers you will be targeting to open a FDA account. Indicate the number and characteristics of the population your project will target and your organization's familiarity and experience working with the targeted customers.  
**Maximum Points: 15**
5. State the outcomes you will achieve through this program. In addition, list your performance targets stating the number of accounts to be established and what the match will be for each account. Include a timeline for achieving your performance targets. Use any available baseline data to show an increase in your target numbers from the previous year and explain why you have not set higher or lower performance targets.  
**Maximum Points: 15**
6. State how you will verify the extent to which your performance targets have been accurately measured and achieved. Describe your method for data collection and the evaluation tools you will use as well as how often the evaluation will take place.  
**Maximum Points: 15**
7. Describe fully your organization's plan for providing economic literacy seminars and other proposed auxiliary services as part of your FDA program. In addition, explain how your organization will increase or improve services or training provided to FDA account holders.  
**Maximum Points: 10**
8. Profile those key individuals who have the most responsibility for shaping your project, connecting it to your target population and achieving your performance targets. Focus on their energy, capacity and commitment.  
**Maximum Points: 10**
9. Fully discuss your plan for raising donations through the FDA program and explain how tax credits will help your organization increase the amount of funds raised from individual and charitable contributors as matches for FDA accounts. The fundraising plan should include a timeline of all activities and events that will be conducted to solicit donations for the project. Identify any other sources of financial support that your organization will receive for the proposed FDA project.  
**Maximum Points: 10**
10. Describe any innovation or best practices from your work in other projects that you would like to use to make your FDA project unique and interesting.  
**Maximum Points: 5**

**CURRENT BOARD MEMBERS**

Please be advised DED staff may contact one or more of these Board members to discuss their role on the Board and their general level of support for and knowledge of this application. (Make copies of this form if necessary.)

<b>BOARD CHAIR/PRESIDENT</b>	DAY PHONE
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	OCCUPATION
MAILING ADDRESS	BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u> )

**PARTICIPATING FINANCIAL INSTITUTIONS**

**Part I:** List the financial institutions that have agreed to work with your organization to implement the Family Development Account project. Attach participation agreements for each financial institution listed. Then fill out Part II of this page.

Financial Institution	Contact Person	Title or Position

**Part II:** Indicate below the status of finalizing a participation agreement with each financial institution. This agreement should identify responsibilities of the community-based organization and the financial institution to promote effective management of the Family Development Accounts and to ensure the safety and security of the accounts.

**NOTE:** The participation agreement with the financial institution does not need to be finalized when you submit your proposal. However, it must be finalized within two months of submission of this proposal and be submitted to DED for approval, prior to opening Family Development Accounts in the financial institution.

**FDA BUDGET**

Family Development Account Program (FDA) applicants must submit a budget with justification to fully explain all line items that will be supported through FDA contributions. Program costs to be supported through the FDA program should be budgeted for a one or two-year period. Savings account matching funds and administrative costs are allowable expenses.

**NOTE:** applicants may use 20% of contributions received through the FDA program for administrative costs in the first two years of operation. Applicants participating in the FDA program for a third year and thereafter may only use 15% of contributions received through the FDA program for administrative costs.

<b>FDA BUDGET LINE ITEM/CATEGORY AND JUSTIFICATION (INCLUDE ALL COSTS SUPPORTED THROUGH FDA CONTRIBUTIONS.)</b>	<b>TOTAL AMOUNT (ROUND ALL FIGURES TO THE NEAREST DOLLAR)</b>
<b>1. Matching Funds for FDA Savings Accounts</b>	\$
<b>2. Administrative Costs</b> (the sum of lines A – E may not exceed 20% of your total budget for a first or second-year project and 15% for projects operating in a third year and thereafter). <p style="text-align: right;"><b>ENTER TOTAL AMOUNT FOR EACH LINE ITEM</b></p>	
A.	\$
B.	\$
C.	\$
D.	\$
E.	\$
<b>3. Subtotal Administrative Costs</b> (sum of lines A – E may not exceed 20% of your total budget for a first or second-year project and 15% for projects operating in a third year and thereafter).	\$
<b>4. TOTAL BUDGET (Sum of Lines 1 and 3)</b>	\$
<b>5. TOTAL TAX CREDITS (50% of the dollar amount on line 4)</b>	\$

NOTE: This is a proposed budget for projects seeking support through the Family Development Account Program. If your project receives a tax credit award, this will be your approved budget. You will be notified of changes that may occur during the application review process. The Family Development Account Program, Department of Economic Development must approve all budget revisions **in writing** before donations are accepted or funds expended for line items other than those listed above.



**Application**

\_\_\_\_\_ Answers to Questions 1-10

\_\_\_\_\_ Litigation History

**Attachment A – Current Board Members**

\_\_\_\_\_ Copy of Form Provided

**Attachment B – Participating Financial Institutions**

\_\_\_\_\_ Copy of Form Provided

\_\_\_\_\_ Finalized Agreements

**Attachment C – Project Budget**

\_\_\_\_\_ Copy of Form Provided

**Attachment D – Certification**

\_\_\_\_\_ Signed and notarized original copy of Certification

**Attachment E – E -Verify**

\_\_\_\_\_ Copy of the executed E-Verify Memorandum of Understanding

**Attachment F – Complete copy of the Articles of Incorporation and Bylaws****REMINDER**

Carefully check your entire application to be sure you have not overlooked any required information or attachments. A checklist is provided for this purpose. Failure to submit all required documentation may result in the automatic disqualification of your proposal. Keep a copy of the entire completed application (including attachments) for your own records.