

*Memorandum of Agreement between
Prosperity Works, and
INSERT GRANTEE NAME
for the purpose of
offering Individual Development Accounts*

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I. Purpose and Parties

Prosperity Works (“Grantor”) and the INSERT GRANTEE NAME (“Sub-Recipient), enter into this Memorandum of Agreement (MOA) for the purpose of jointly offering Individual Development Accounts (IDAs) in New Mexico.

II. IDA Capacity

A. Number. The parties agree that the organization will manage a proportionate number of IDA accounts for which the Sub-Recipient raises non-federal Savings Partner match funds.

B. Contingency. The number of IDAs managed by the Sub-Recipient is contingent upon the Sub-Recipient's financial capacity, staffing capacity, compliance with this Agreement, customer satisfaction. Provision of the Federal funding for IDA accounts will be obligated annually with each renewed MOA.

III. Obligations

A. Obligations of Grantor.

- 1. Train Sub-Recipient designated personnel in Asset Coaching;*
- 2. Make available sufficient federal funding for the number of Individual Development Accounts (IDA) (cash value of \$2,000 per account) that are able to be equally matched by the participating organization,*
- 3. Provide on-going professional development and peer-to-peer opportunities around asset building strategies.*
- 4. Provide all forms and procedures necessary to offer IDAs to the customer base.*

B. Obligations of Sub-Recipient

- 1. Attend, at own cost, one annual in-person training specific to policies and procedures;*
- 2. Complete Prosperity Works certification as an Asset Coach for lead IDA personnel;*
- 3. Use the mandatory web-based IDA management software;*
- 4. Comply with Grantor monitoring activities, completing corrective action requests within 30 days of issue (a sample site-visit check list is attached to this agreement);*

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- 5. Participate in New Mexico Assets Consortium¹-related webinars and phone conferences, as scheduled;*
- 6. Assist with local fundraising efforts to raise match funds for local IDAs;*
- 7. Assume and exercise fiscal, staff, and programmatic responsibility for activities engaged in while offering IDAs;*
- 8. Become familiar with the exhibits attached to this Agreement and comply with the responsibilities of effective IDA and participant file management.*

IV. Potential Conflicts

- A. Fundraising. Grantor manages fundraising activities to meet the IDA Saver match fund need. This does not preclude other organizations from seeking and securing funds in support of asset building activities. Sub-Recipient parallel fund-raising specific to IDAs should be discussed openly with the Grantor in order that the Grantor may both provide full support of these efforts as well as to inform of potential conflict. Local fundraising is supported and necessary. Grantor will earmark 100% of funds raised locally to meet the IDA match needs of the organization that raised the funds.*
- B. Sub-Grantee Staff Participation in IDAs. In keeping with the goal of diminishing poverty in New Mexico, staff within the Sub-Recipient organization who are eligible to open an IDA are allowed to open an IDA as long as (a) they are not the manager of their own account; and (b) the Sub-Recipient organization is able to demonstrate that it has a policy in place that does not give preference to employees.*

V. General Agreements

- 1. By its signature to this Agreement, INSERT GRANTEE NAME agrees that it will not: (i) borrow or attempt to borrow any monies in the name of Grantor; (ii) enter into or attempt to enter into any contracts in the name of Grantor; (iii) commit or attempt to commit any resources of Grantor other than the amount of match funds agreed to be provided to IDA Savings Partners; or (iv) take any actions which would render it difficult or impossible for Grantor to carry out its stated purpose.*

¹ *The New Mexico Assets Consortium is comprised of the collection of Sub-Recipients who have signed Agreements with Prosperity Works for the purpose of delivering Individual Development Account, Financial Institution partners, and additional organizations involved in asset-building work through partnership with Prosperity Works.*

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2. *INSERT GRANTEE NAME shall be responsible for, and shall retain the sole right and responsibility to direct, its own agents, representatives, and employees. No agent, representative, or employee of INSERT GRANTEE NAME shall be entitled to any benefits which may be made available to the agents, representatives, or employees of Grantor, including but not limited to, claims for vacation pay, paid sick leave, retirement benefits, social security, workers' compensation benefits, health insurance, professional malpractice insurance, unemployment compensation, or social security benefits.*

3. *The parties shall each be responsible for their respective liability. No party shall be responsible for the liability of the other party as a result of damage to persons or property arising from any cause relating to the use of the subject property or engaging in activities.*

4. *Prior to publication, any published reports and printed material relating directly to the the provision of Grantor-funded IDAs shall appropriately acknowledge the collaboration and support of Grantor. No individual organization shall be authorized to submit any such collaboratively-prepared material, in whole or in part, for registration or protection under the copyright or other intellectual property laws of the United States of America. Grantor shall have unrestricted authority to disclose, distribute and otherwise use, in whole or in part, any reports, data, or materials prepared by any Partner pursuant to this Agreement.*

VI. Operating Cost Expectation

A. Grantor's Responsibility. Grantor commits to seek sufficient federal funding through the Assets for Independence Act (AFI) to continue to fund 50 percent of IDA Savings Partner match funds. Grantor commits to bearing IDA management costs, including:

- Managing the Federal grant award and representing the New Mexico Assets Consortium in Federal grantee required meetings;*
- Individualized training of Sub-Recipient staff; provision of operations manual; necessary forms; training on web-based software for IDA management;*
- Ongoing technical assistance regarding IDA policies and procedures as well as best practice;*
- Annual monitoring of on-site IDA management;*
- IDA Savings Partner match fund management;*
- Data input of all IDA Savings Partner deposits;*

- *Planning and conducting bi-annual meetings: (1) Policy and Procedures updates, best practice, professional development; (2) Asset Coach training;*
- *New Mexico State advocacy to increase investment in asset building strategies.*

B. Sub-Recipient Responsibility. Sub-Recipient commits to be an engaged partner in the delivery of the IDA financial product to its target market. Specifically:

- *Staff time dedicated to learning, understanding, and continuing to receive instruction around effectively offering the IDA finance product within the policies and procedures of the Grantor;*
- *Staff time dedicated to Asset Coaching with the IDA Savings Partner;*
- *Staff time dedicated to effective file management of IDA Savings Partner records;*
- *Travel, meals, and lodging to attend a minimum of one Asset Coach training during the course of working with IDAs, and to attend a minimum of one Grantor training per year;*
- *Commitment to participate in fundraising activities for non-federal funding;*
- *Participation in New Mexico state advocacy efforts, when appropriate.*

VII. Conflict Resolution

A. Informal Resolution. If an issue of conflict should arise, the Sub-Recipient shall put the issue in writing and to send to the President and CEO of Prosperity Works, Ona Porter, 400 Central Ave SE, Loft 101, Albuquerque NM 87102. Ms. Porter will contact the organization directly to respond to the conflict with a proposed resolution within 30 days.

B. Arbitration Clause. In the unlikely event that an irreconcilable dispute arises between the parties to the Agreement, it is hereby agreed that the dispute shall be settled solely and exclusively by binding arbitration in the State of New Mexico. Such arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of the jurisdiction. Each party shall bear its own attorneys fees and expenses. The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the power to amend this Agreement. The arbitrator shall be required to follow applicable law. If for any reason this arbitration clause becomes not applicable, than each party, to the fullest extent permitted by applicable law, hereby irrevocably waives all right to

trial by jury as to any issue relating hereto in any action, proceeding, or counterclaim arising out of or relating to this agreement or any other matter involving the parties hereto.

VIII. Saving Clause

If any provision of this Agreement is held unenforceable, then such provision will be modified to reflect the parties' intention. All remaining provisions of this Agreement shall remain in full force and effect.

IX. Termination Clause

Either party may terminate this Agreement in writing with a 30-day notice. The notice is to include a transition plan for working with current IDA Savings Partners of the Sub-Recipient, including transfer of file management.

A. Effect of Termination. The parties to this Agreement are relieved of any further obligation or responsibility.

B. Reasons for Termination. This Agreement may be terminated by the Grantor for reasons that include non-compliance with project policies and procedures, not meeting the expectations of Asset Coaching, or non-responsiveness to IDA Savings Partners.

By its signature hereto, the undersigned agrees to abide by all of the terms of this Agreement and to promote the goals and purposes of building individual assets in New Mexico. This Agreement is effective as of the date of signature and expires September 30, 2012.

Signature
INSERT GRANTEE NAME

Signature
Prosperity Works

Printed: _____

Ona Porter, President and CEO

Date: _____

Date: _____



2011 Site Visit Compliance Form

Section 1. SUB-GRANTEE COMPLIANCE		
Date:		
Organization:		
Org. Mission Stmt:		
Counties Served:		
Target Market:		
Assets Offered:		
Mrktg & Outreach:		
Executive Director:		
Assets Coach:		
Contact Info:		
Address		
Phone/Fax		
email		
Website:		
Additional Info:		
Section 1. SUB-GRANTEE COMPLIANCE		
PW has received the following:		
Yes/No /NA	Documents	Notes:
	1. Memorandum of Agreement	
	Date Received: Effective Until:	
	2. Audit	
	Date Received: Date Reviewed: Findings Noted:	
MOA Compliance		Notes:
Yes/No	Task	
	1. Attend annual in person trainings specific to policies, procedures and coaching	
N/A in 2010	2. Complete Consortium certification as an Asset Coach for lead personnel	
	3. Use AFI software	
	4. Completed past corrective action request within 30 days	
	5. Participate in Consortium webinars or phone conferences, as available	
	6. Assist with/initiate local fundraising efforts to build match funds	

File Content Compliance (spot check of 10% of active files)			
Date:		# of Files Checked (10%):	
1. Forms		In File	Signed
Application			
Participation Agreements (IDA opened in AFI software)			
Account Open Letter			
Copy of First Deposit at Financial Institution and Account Number			
Quarterly Savings and Match Account Reports (AFI Report #14)			
Self Advocacy Portfolio (indication of finance training complete in AFI)			
Financial Literacy Completion Certificate (or Self Advocacy Portfolio)			
Asset Plan and Coaching documents, if any, to achieve the plan			
Withdrawal Request Form			
Proof of Asset Purchase			
2. Verification of Eligibility		In File	
Verification of Income Eligibility/Household Income (AGI = < 200% poverty, or EITC/TANF eligible)			
Verification of Employment / Proof of earned income			
Verify Age (if NM State funds are to be used as match)			
Verify NM Residency (if NM State funds are to be used as match)			
Verify Citizenship (if NM State funds are to be used as match)			
3. Coaching Log		In File	Signed
Comments:			
Section 2. ASSET COACH SUPPORT ACTIVITIES (Recommended Best Practice)			
1. Please indicate whether Asset Coach supplies the IDA Savings Partner direct support in the following areas, or indirect support through a secondary support agency.			
2. On a separate sheet, please create a listing of secondary support agencies & resources and return to PW.			
Yes/No	Direct/ Indirect	Task	
		1. Work with IDA Savings Partners to create a budget that will support their savings goal.	
		2. Offer the saver the opportunity to pull their credit information (a tri-merge pull) and refer to credit counselor if rebuilding help is needed. Help the saver understand how to read the report.	
		3. Provide a list of community resources to support the IDA Savings Partner in both creating and completing the asset purchase plan.	
		4. Coach the saver as s/he breaks down the asset purchase plan into small achievable steps that can be accomplished in a short (weekly or monthly) time period.	
		5. Coach the saver through identification of personal and social goals that are necessary to support the asset goal.	
		6. Coach the saver through identification of resources that are needed to accomplish personal, social, and financial goals.	
		7. The Asset Coach meets with the saver on a regular basis to review progress and create ideas for action if needed.	
		8. The Asset Coach distributes notes or newsletters that include information about resources and training available for the IDA Savings Partner	
		9. The Asset Coach becomes familiar with family subsystems that can be used to support the IDA Savings Partner's progress.	



2011 Sub-Grantee Compliance Instructions

At the end of the compliance site visit, PW staff will send you a copy of the evaluation form within 10 days. Issues that are noted to be out of compliance must be corrected within 30 days. Prosperity Works will not send you a letter requesting that the items fall into compliance; receipt of the Site Visit Compliance Form at the completion of the site visit is deemed to be notification of compliance. The following must be accomplished to correct issues that are out of compliance:

- a. Unless marked "N/A", all items in Section 1 are required. The sub-grantee must demonstrate correction of a non-compliance within 40 days from the date of the visit. Demonstration of correction needs to be something verifiable, such as:
 - _____
Sending a signed copy of a form that was missing a signature
 - _____
Making a written statement that savings reports (AFI #14) are now being sent to the savers a minimum of quarterly and that copies of the statements are kept in the saver's file.
 - _____
Providing written verification that missing eligibility documents have now been received and are maintained in the saver's file.
 - _____
Providing written verification that a saver who does not have the proper eligibility documents for use of NM state funds, is receiving private funds to match the federal allocation; verification that the proper funds are obligated to the saver in the AFI software.
- b. If the non-compliance issue relates to opening an IDA outside of eligibility standards; without verification of eligibility; or having given preference to the staff or family of the sub-grantee, **Prosperity Works may choose to allow only 20 days to correct the non-compliance, rather than 40 days.** (All dates below would be shortened by 10 days.)
- c. Prosperity Works will initiate sub-grantee close-out procedures on day 41 for any organization that remains out of compliance. Close out procedures are as follows:
 - _____
Written notification to the sub-grantee that they are out of compliance with the required New Mexico Assets Consortium IDA Policies and Procedures.
 - _____
Written notification will include a step-by-step close-out process. The steps are tailored to the situation of the sub-grantee and the number of open IDA accounts held by that sub-grantee.
 - _____
All saver's files are to be turned into Prosperity Works by day 60.
 - _____
All IDA Savings Partners will be notified by Prosperity Works of their new Asset Coach by day 70.
- d. Upon receipt of the sub-grantee demonstration of correction of any issue of non-compliance, Prosperity Works will provide a written response of acceptance to the sub-grantee.

Please call Sharon Henderson at 505-250-2370 for further clarification of the compliance process.

Prosperity Works Asset Coach Expectations

*There are two basic principles of effective coaching. One is that people can't be coached if they don't want to be. The second is that **people themselves, not their coaches, are responsible for their own performance and their motivation to change.** Coaches create optimal working conditions. They provide support to remove barriers to achieving peak performance.*

Required activities of an Asset Coach in delivering IDAs include:

- *Completing a contract (in the form of the IDA Participation Agreements) between the Asset Coach organization and IDA Savings Partner regarding the expected results and the amount of time they are willing to invest.*
- *Working with IDA Savings Partners to create a budget that supports their savings goal and the amount of designated monthly deposits. Ensuring access to financial capability training; ensuring completion of the Self-Advocacy Portfolio.*
- *Developing an asset purchase plan, which defines the specific steps that are required to achieve asset purchase. This includes providing Community resources that can support the IDA Savings Partner in both creating and completing the asset purchase plan.*
 - √ *Coach the saver as s/he breaks down the asset purchase plan into small achievable steps that can be accomplished in a short (weekly or monthly) time period.*
 - √ *Coach the saver through identification of personal and social goals that are necessary to support the asset goal.*
 - √ *Coach the saver through identification of resources that are needed to accomplish personal, social and financial goals.*
- *Working with the IDA Savings Partner to successfully complete the necessary paperwork, forms, and trainings related to the IDA savings opportunity.*
- *Documenting the date, results, and follow up steps for each contact with the IDA Savings Partner.*
- *Distributing, no less than quarterly, statement of deposits and match funds to the IDA Savings Partners. Monthly is best practice. (AFI report #14)*

Best practice activities of an Asset Coach include:

- *Reviewing the Savings Partner credit report with him/her and referring to a credit counselor if credit rebuilding help is needed.*
- *Meeting with the saver on a regular basis to review progress and create ideas for action if needed.*
- *When possible, the IDA Coach distributes notes or newsletters that include information about resources and training available for the IDA Savings Partner; or sends a simple note celebrating saver success.*
- *The IDA Coach becomes familiar with family subsystems that can be used to support the IDA Savings Partner's progress.*

Characteristics of an Effective IDA Coach

- *Ability to see strengths in every saver*
 - *Understands that savers choose for themselves*
 - *Has active listening skills*
 - *Is careful not to offer advice but rather support the saver in finding his/her own solutions*
 - *Respects savers differences; values diversity*
 - *Understands that savers are the experts on their own live*
 - *Looks for ways to compliment the saver's progress frequently*
-

IDA Capacity Statement

to be completed and returned with the MOA

Organization:

Name and Title of Authorized Legal Representative:

Contact Name:

Address (street):

City/State/Zip:

Phone/Fax:

Email:

Web page:

COMPLETE HERE



A. How many IDA customers do you currently serve, if any?	
B.i How many potential IDA Savings Partners do you have on a waiting list, if any?	
B.ii Of those on your waiting list, how many have been determined to be eligible to open an IDA?	
C. How many new customers do you anticipate serving with IDAs through the effective date of this Memorandum of Agreement?	
D. How many customers do you anticipate will save for each goal? You are not required to offer every asset.	Note:
- First time home ownership	_____
- Post-secondary education	_____
- Business	_____
E. Identify your geographic target area(s).	
F. Within your target area, specify where the bulk of your customers will come from. (City/Town/Pueblo/Tribe/Area -- % of total customers).	
G. List additional characteristics of your customers that you consider important for the planning and design of your IDA Program.	

H. If you are working with additional organizations within your target area to deliver the IDA, please list those organizations.

I. Describe how your organization plans to incorporate financial management training with ongoing community functions, if at all.

J. How will your organization evaluate the success of offering IDAs?

K. What is the commitment of your organizational leadership to the effective delivery of the IDA product?

L. What expectation(s) does your organization have of participating in the New Mexico Assets Consortium?

M. Please provide information regarding your support needs. How can Prosperity Works deepen your capacity to achieve your own organizational mission in your target area?