



FAIM 101 TRAINING GRANT 2086

Family Assets for Independence in Minnesota (FAIM)

Training updated 2/6/2024

**FAIM
PROGRAM
FISCAL AGENT**

West Central Minnesota Communities Action, Inc.

Executive Director: Missy Becker-Cook

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General Office Hours: Monday-Friday 8:00am-4:30pm

**FAIM
PROGRAM
ADMINISTRATION
TEAM**

- **David Snyder, Statewide FAIM Director**
 - davids@wcmca.org (612) 867-7118 cell
- **Susan Thoennes , Statewide FAIM Program Administrator**
 - suet@wcmca.org (218) 685-7071 office
- **Paige Carlson, Aging Well & Asset Development Director**
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TRAINING TOPICS



Program Overview



1. Eligibility



2. Enrollment and
Opening the FAIM
Savings Account



3. Client Training
Requirements



4. Payout / Obtaining
the Asset



5. Exit and Closing
the FAIM Account

FAIM OVERVIEW - FUNDING



- **Family Assets for Independence in Minnesota (FAIM)** came into existence around 1999 as a matched savings project designed to help low-income families in MN build assets.
- The FAIM Program is funded by State grants:
 - FAIM no longer receives AFI (Assets for Independence) federal funding and began operating with state-only funding in 2021.
 - The previous 2-year grant was \$650,000 and had 65 slots statewide. With 10% over-enrollment to compensate for drops, there were 72 slots filled.
 - State Grant 2086 for \$3.44 million has 250 slots allocated to partner agencies across Minnesota. Tentative enrollment opening on February 12, 2024.
 - Private Grant – one agency contracts with WCMCA to administer their private match funding which supports enrollment of only their clients.

FAIM OVERVIEW - PARTNERS

- The Office of Economic Opportunity (OEO) manages the state grants.
- West Central Minnesota Communities Action, Inc. (WCMCA) was awarded the role of Fiscal Agent again in 2024. WCMCA has been the fiscal agent and program administrator since about 2003. Dave, Paige and Sue work for WCMCA.
- Agencies across MN contract with WCMCA to offer the FAIM program locally to clients.
 - Most local FAIM agencies are Community Action Partnerships/Programs (CAP)
 - Starting with Grant 2086, a non-profit agency can be a FAIM partner without the need to be a subgrantee.
- Bremer Bank is the financial partner that hosts the custodial savings account of each FAIM client and WCMCA's escrow account where the match is held. More on Bremer later.

FAIM OVERVIEW - COUNCIL

FAIM Council membership is comprised of partners and serves as program advisory council to FAIM administration.

Current Members:

Roxanny Armendariz, NeDA – chair

Ann Macgregor, MVAC

Judy Bond, ACCAP

Angela Schoettle, Bremer Bank

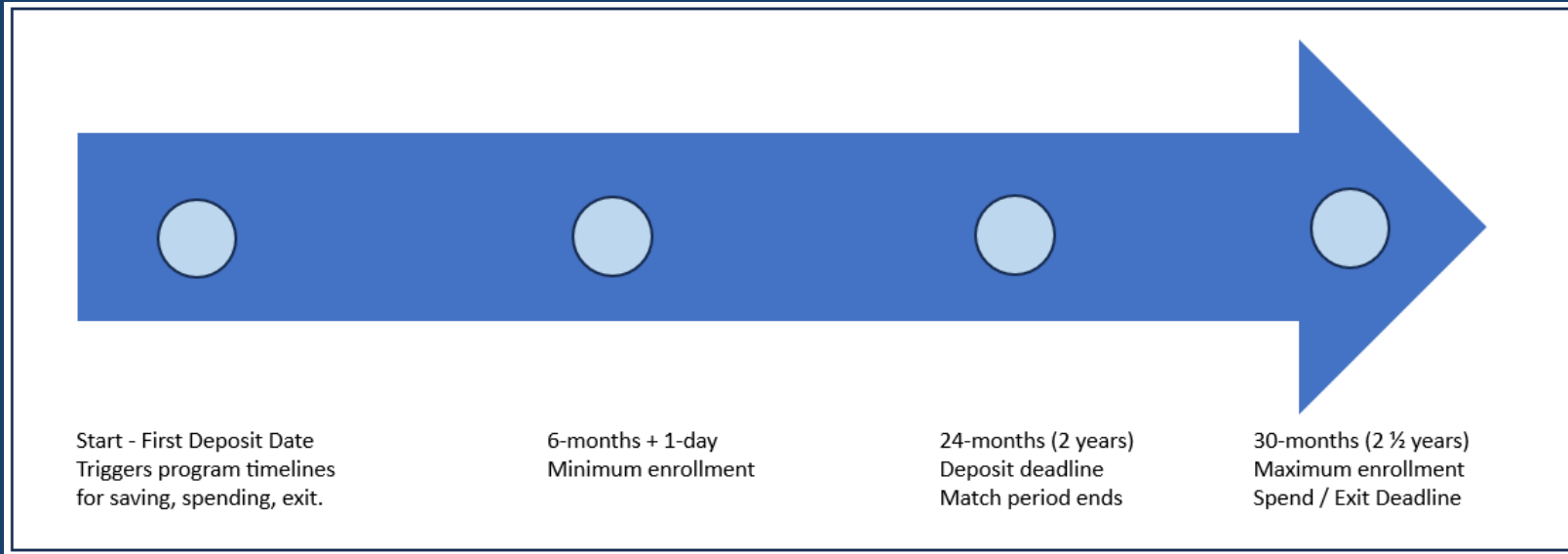
Cherrish Holland, LSS Financial Counseling

Lori Schultz, MinnCAP Director

FAIM OVERVIEW - TIMELINE



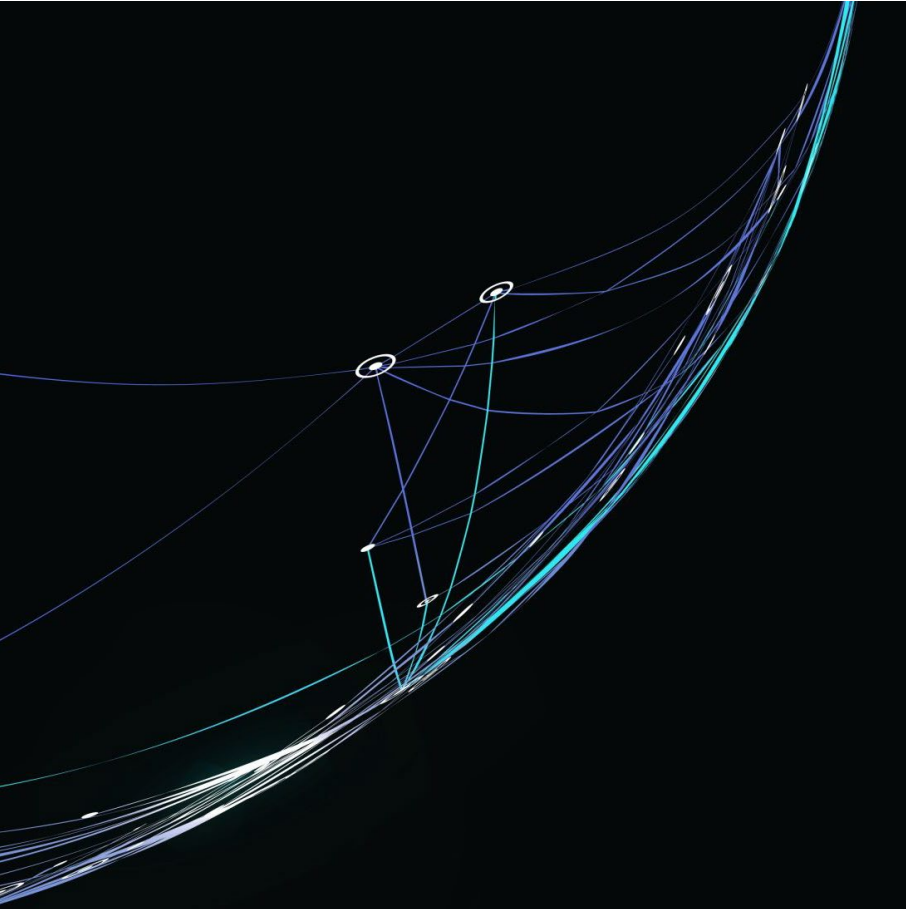
- FAIM is a matched savings program. Enrollees earn 3:1 match on deposits to their FAIM savings account at Bremer Bank - up to \$4,000 savings per HOUSEHOLD in a lifetime.
 - One household member may save the full \$4,000 and receive \$12,000 match for a total payout of \$16,000.
 - Two household members may enroll. Each may deposit \$2,000 into their individual FAIM account. Each may receive \$6,000 match for a potential payout of \$8,000 each toward their individual chosen asset.
- **Program enrollment and timelines for saving and spending are triggered by the date first deposit is made to the client's FAIM savings account at Bremer Bank.**
 - Savings period – the client has up to 24 months (2 years) from their first deposit date to save and earn match. Interest earned on FAIM savings is **NOT** matched.
 - Minimum enrollment period – clients in Grant 2086 must be enrolled a minimum of 6-months + 1-day before they may contact their coach to request payout from the program.
 - Maximum enrollment period – the client has up to 30 months (2 ½ years) from their first deposit date to complete the program (use their account to obtain their chosen asset and exit the program).



FAIM ENROLLMENT TIMELINE

FAIM OVERVIEW

COACHING DOLLARS



- We estimate that a coach may spend 30-40 hours with a FAIM client during their enrollment. Some examples include:
 - screening for eligibility and program readiness
 - completing the application and account opening process
 - providing the required program trainings
 - providing 1:1 financial coaching and support through assessments, review of credit report and creating a budget
 - monthly check-ins and providing a monthly statement
 - providing support to save and obtain their asset
 - completing the payout and exit process
 - post-enrollment support and check-ins.

FAIM OVERVIEW COACHING DOLLARS

- To defray the cost of working with a FAIM client, the program will pay \$2,000 “Coaching Dollars” for up to 250 enrollments.
- **Funds are disbursed to the local agency for a new client’s completion of the program’s required trainings:**
 - \$1,000 for 12-hours of Financial Management training
 - \$1,000 for additional 10-hours of Asset-Specific training
- The local FAIM coach must submit the client’s training completion certificates to FAIM Admin for Coaching Dollars.
- FAIM Admin will track the training certificates and submit for payment of Coaching Dollars to agencies on a quarterly basis.
- Coaching Dollars may not be available to an agency that opts to reenroll a former program participant.
- If the program is over-enrolled, Coaching Dollars will be paid first come, first serve until spent for up to 250 slots.

FAIM OVERVIEW - ASSET TRACKS



The applicant must choose ONE asset to pursue.

Options include:

- First-time Home Purchase
- Business Development
- Post-Secondary Education
- Personal Vehicle Purchase
- Two new asset tracks are under construction

FAIM OVERVIEW - ASSET TRACKS



If a participant's circumstances change while enrolled and they do not have ability to obtain the asset selected at time of application, they may request to amend their contract to another asset track.

The client must discuss the situation with their FAIM coach who may provide additional support and information on the new asset.

If the FAIM coach determines that amending asset tracks is appropriate for the client's situation, they will work together to create a plan to obtain the new asset and complete a Contract Amendment Request form.

The coach will submit the Contract Amendment Request to FAIM Admin for review and determination. Amendments are considered on a case-by-case basis. Multiple changes may not be permitted.

FAIM OVERVIEW – FIRST HOME PURCHASE



To be considered a first-time home buyer by program definition, the FAIM applicant and/or their spouse/partner can't have owned a primary residence within three years prior to applying for FAIM.

- FAIM funds will be applied to down payment and/or closing costs at the time of home closing for a home located in Minnesota.
- FAIM funds cannot be used for earnest money.
- **Things to consider BEFORE enrolling a client in the Home Purchase asset track:**
 - To receive mortgage pre-approval within 18-24 months, the applicant will need to have ongoing employment with sustained income that can support cost of home ownership AND a 650+ credit score.
 - An applicant may not be program ready for Home Purchase if they have low/no credit score, high debt to resolve, or inconsistent income and/or employment.

FAIM OVERVIEW BUSINESS DEVELOPMENT

FAIM funds may be used to start or expand a small business in Minnesota. The applicant must have a solid idea for business start-up or expansion before enrolling in the program.

- A guide to the Business Development requirements is available on the FAIM website.
- This asset track has many requirements which take time to complete. We strongly recommend to have the client start on requirements soon after being enrolled.
- The participant will register to work with a business development center (SBDC, SCORE, NEON, etc.). The service is typically free. A mentor will be assigned to guide the client through creating a business plan, budget, etc., and will sign the FAIM Business Plan Approval Form when plan, budget, etc. are finalized.
- It is the client's responsibility to complete a detailed business plan, budget, etc. with guidance from their mentor and FAIM coach.
- **Advise clients that using FAIM funds to purchase a vehicle for their business is extremely limited and will require pre-approval from FAIM Admin.**

FAIM OVERVIEW

POST-SECONDARY EDUCATION

Participants may use FAIM funds for their courses **OR** for their spouse, child, tax dependent's courses.

- FAIM funds may only be paid to an accredited post-secondary education institution within the 48 contiguous states.
- FAIM funds must be applied to current tuition for courses taken within the 48 contiguous United States.
- FAIM funds may be used to pay for required books/equipment **IF** 1) items are noted in the course description, 2) items are obtained from the campus bookstore, charged to the student's account and billed out by the college.

FAIM is a 30-month program - the student must be registered for courses within that timeline.

If the student has other scholarships/ grants, they may not need FAIM funds.



FAIM OVERVIEW – PERSONAL VEHICLE PURCHASE



Personal Vehicle Purchase was a new pilot started in 2021 under the state-only funding.

Program guidelines for vehicle purchase are available on our website – share the guide with applicants.

- This asset track is for applicants that do not own a reliable vehicle and need transportation to get to/from employment.
- The applicant must have a valid Minnesota driver's license and proof of vehicle insurance at the time of purchase.
- The vehicle must be purchased from a dealership located in Minnesota!
- The vehicle purchased will be titled in only the FAIM participant's name and is meant for their primary use.

FAIM funds cannot be used to purchase a vehicle for someone else.

FAIM OVERVIEW

Things to consider BEFORE completing an application:

1. Is the potential applicant eligible for the program?

- Are they age 18 years or older?
- Are they a Minnesota resident? (valid MN driver's license/photo ID card)
- Do they have steady earned income (wages from employment or self-employment)?
- Is their household annual gross income under 200% of the current federal poverty guideline?
- Are their household net assets under \$10,000?
- Have they, or anyone in their home, been enrolled in FAIM before?

Being in arrears on child support payments, in default on government student loan repayment or owing funds to the government are disqualifiers which prohibit the client from being enrolled.

FAIM OVERVIEW

Things to consider BEFORE taking an application:

2. Is the potential applicant program ready?

- Complete the pre-enrollment screening and affordability calculator with the client.
- When does the applicant plan to obtain their asset?
- Will debt, credit score, employment, or income prohibit them from obtaining their chosen asset within the 30-month maximum enrollment?
- Can their earned income support monthly deposits to FAIM savings without being a hardship?
- Will their income support the cost of ownership if enrolling for Home or Vehicle Purchase?
- Does your agency have internal policies on enrolling employees, family, friends, etc.
 - If the applicant is an employee of the FAIM agency, or if there is a relationship between applicant and FAIM coach, they shall be referred to another agency for enrollment.

FAIM has a limit of two enrollments per individual or full household match, whichever comes first. If a FAIM participant leaves the program/does not obtain an asset, it still counts as an enrollment.

FAIM OVERVIEW

Things for the applicant to consider when choosing an asset track:

- Education – student must attend classes within 30 months; other grants/scholarships.
- Home Purchase – unresolved debt, will need continuous employment with sustained income and 650+ credit score to qualify for mortgage within 18-24 months; will need income that supports loan repayment and cost of owning a home.
- Business Development – feasible idea/plan for startup or expansion, contact a business development center and work with a mentor.
- Vehicle Purchase – valid Minnesota driver's license and insurance, income that can support cost of vehicle ownership (tabs, insurance, maintenance, etc.)

The FAIM asset must be purchased/located in Minnesota.

BREAK – 10 MINUTES

FIVE MAIN STEPS TO FAIM



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ELIGIBILITY

Enrollment Disqualifiers:

- Can't be in default on student loan repayment
- Can't owe money to the government
- Can't be in arrears on child support payment

Residency Requirements:

- Must be, and remain, a Minnesota resident throughout their enrollment in FAIM
- Must be age 18 years or older

ELIGIBILITY SCREENING

Use the FAIM Pre-Enrollment Screening Tool and the new FAIM Saving Affordability Calculator (shown) to determine an applicant's potential eligibility and program readiness.

Maximum DTI: 48%

Saving Target	Monthly Deposit Amount	
	24 months	12 months
\$1,000.00	\$42	\$84
\$2,000.00	\$83	\$167
\$3,000.00	\$125	\$250
\$4,000.00	\$167	\$334

Formulas in place - Complete only non-shaded areas of this form			
Name of FAIM applicant:		John Doe	
Current Monthly Net Income		Monthly Debt Payments	
Applicant net wages	\$1,200.00	Rent / Mortgage payment	\$800.00
Applicant net wages	\$1,200.00	Credit card payment	\$50.00
Applicant net wages		Installment loan payment	
Other income		Vehicle loan payment	\$200.00
Other income		Other payment	
Other income		FAIM saving amount	\$84.00
Monthly Net Income	\$2,400.00	Current Monthly Debt	\$1,134.00
Affordability Calculation			
Monthly Net Income	\$2,400.00		
Current Monthly Debt	\$1,134.00		
Debt To Income Ratio (DTI)	47.25%		
	DTI Ratio Maximum: 0.48%		

ELIGIBILITY

Income Eligibility:

- Applicant must have earned income (wages) to use for monthly deposits to their FAIM account
- Household annual gross income must be at/below 200% of the current Federal Poverty Guideline (FPG).
- New FPG was released mid-January and is available on the FAIM website

Asset Eligibility:

- Household net assets must be less than \$10,000
- Excluded assets:
 - Primary residence - if owned
 - One vehicle
 - Retirement plans that have a penalty for early withdrawal

Documentation:

- Copy of valid Minnesota driver's license or photo ID
- Copy of current utility bill or lease in applicant's name to verify address
- Proof of income – from **ALL** sources from **ALL** adults living in the home

APPLICANT INCOME ELIGIBILITY

To be eligible for FAIM the applicant must have earned income which is derived from employment (wages) or self-employment income.

Applicant's earned income must be able to support monthly deposits to their FAIM account as noted on their signed Contract Agreement.

- \$84 per month is needed to reach a \$2,000 saving goal in 24-months and \$167 is needed to reach a \$4,000 goal.
- If necessary, a participant may vary monthly deposit amount but must have a plan to make catchup deposits.
- A lump deposit is allowed from Earned Income Tax Credit (EITC) or Minnesota Working Family Tax Credit (MN WFC).

"Unearned income" **IS** counted toward the household annual gross but cannot be used to make deposits to a FAIM savings account.

- Some examples of Unearned Income: unemployment, worker's compensation, child support, foster care stipend, cash assistance, loans or cash from family/friends, social security administration benefits, pensions, wages earned while incarcerated, etc.

HOUSEHOLD INCOME ELIGIBILITY

FAIM's Definition of a Household:

"ALL individuals who share use of a dwelling unit as primary quarters for living and eating."

FAIM requires income documentation from ALL adults (age 18 and older) living in the home when determining an applicant's eligibility for the program.

Total household annual gross income must be at or below 200% of the current Federal Poverty Guideline which is generally released mid-January.

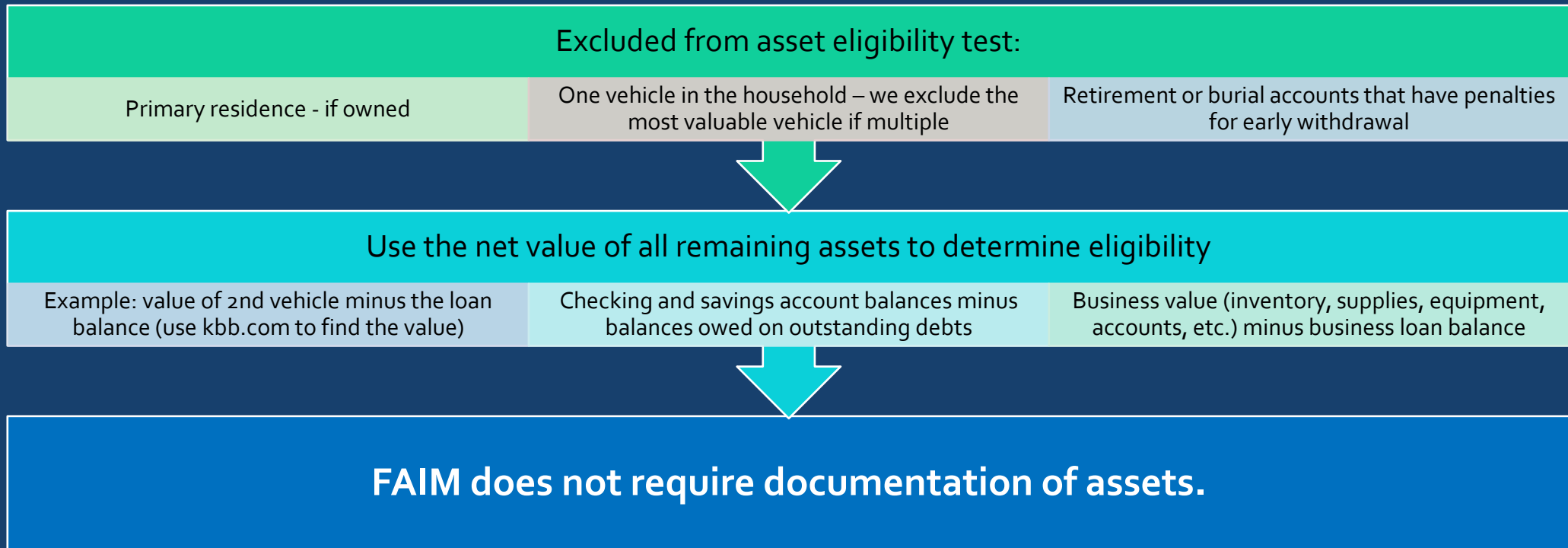
Income Documentation is required from all adults in the home:

Preferred – Federal 1040 Tax Form for current filing year. [Ask for this first.](#)

- If the current Federal 1040 is not available other options are:
 - All W2's, 1099's, etc. AND income from any other sources* (earned and unearned) for previous year
 - Paystubs for the previous 3 full months AND income from any other sources* for that period.

*May include benefit award letters, unemployment statement, child support, contractual pay, etc.

NET ASSET ELIGIBILITY - \$10,000 OR LESS



FIVE MAIN STEPS TO FAIM



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FAIM APPLICATION PROCESS

- An individual contacts you about FAIM
- **Coach will complete the Pre-Enrollment Screening Tool and Affordability Calculator with the client.**
 - It is very important to screen for eligibility AND program readiness!
 - If someone is not ready/able to commit to being in the program or working toward their goals, do not complete an application.
 - Enrolling someone who isn't ready takes a spot from someone else that could benefit from enrollment.
- If the client is eligible and ready for FAIM, give them an application.
- Client returns application with supporting documents to coach.
- Coach reviews and completes check for eligibility. If determined to be eligible, use the checklist to complete the enrollment and account opening forms.
- Send the completed application packet and supporting documents to FAIM Admin for final review and next steps before opening the account at Bremer.

FAIM APPLICATION PACKET

Use the FAIM Account Opening Checklist for each enrollment.

The application packet (forms noted below) is sent to FAIM Admin (Sue) for review and approval before opening the account at Bremer:

- FAIM Pre-Enrollment Screening Tool & Affordability Calculator
- FAIM Application
 - be sure all questions are answered, amounts filled in, and client signed/dated. FAIM coach completes Local Agency Use Only sections on pages 1 and 4
- Contract Agreement Form
- Beneficiary Form – must provide all info requested for beneficiaries
- Bremer Bank – FAIM Account Opening Forms Packet
- Income docs from all adults in home – **Federal 1040 is preferred**
- Copy of applicant's valid Minnesota driver's license or photo ID card
- Copy of current utility bill or lease agreement in applicant's name at present address

FAIM - WEBSITE AND DATABASE

FAIM Website: <https://minnesotafaim.org/>

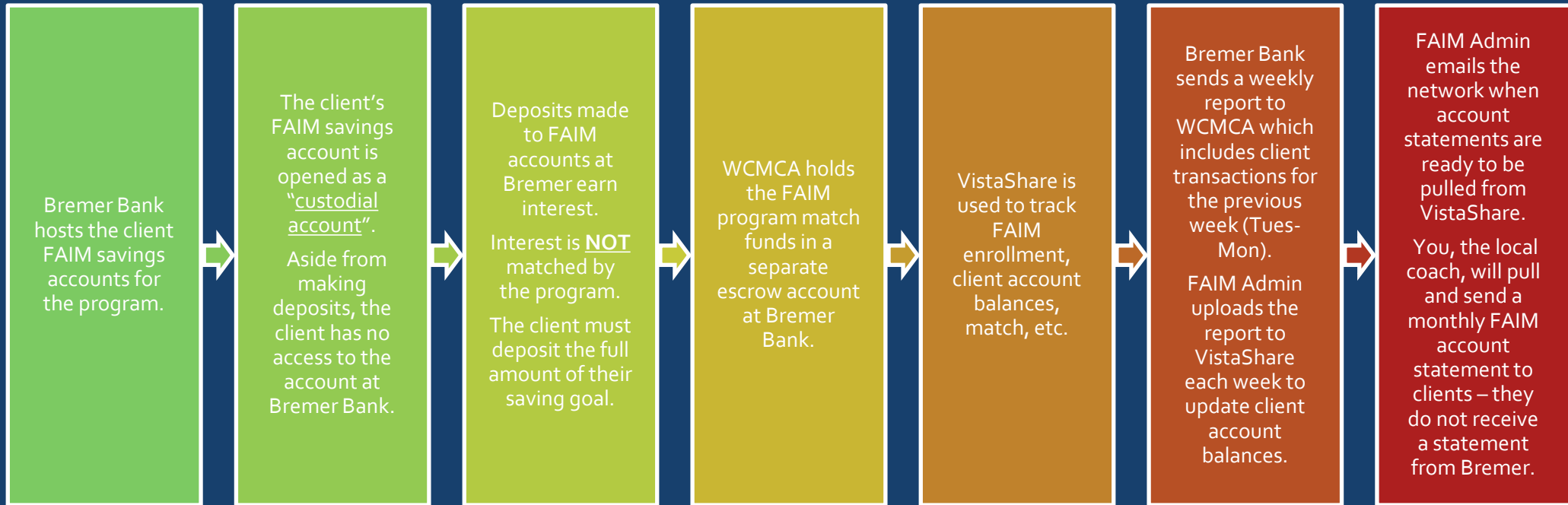
- Public site offers program information, agency directory and frequently asked questions.
- “FAIM Coordinator” tab at the top left of the page contains program subtabs for:
 - FAIM Program Forms
 - Training Information
 - Program Resources

FAIM Database: <https://www1.vistashare.com/>

- VistaShare is used to track and report on FAIM enrollment. It is also the program’s reflection of the client FAIM savings accounts hosted by Bremer Bank.
- Each FAIM local participating agency has one login and password for their staff to share – contact Sue if you forgot the password or have staff turnover.
- You only have access to your agency’s FAIM enrollments. Contact Sue to research previous client enrollments.
- Your staff must pull FAIM account statements each month and send to your agency’s enrolled clients.




BREMER
BANK



FAIM SAVINGS ACCOUNT

BREMER – FAIM ACCOUNT OPENING FORMS



The account opening forms have been combined into one packet consisting of:

- FAIM-Bremer Savings Account Opening Information Form
- FAIM-Bremer Certificate for Opening Asset Account Form
- FAIM-Bremer Release of Information Agreement Form
- FAIM Signature Authorization for Withdrawals Form

Optional: Bremer Automatic Transfer Authorization Form

The participant will also need:

- Copy of their valid Minnesota driver's license/photo ID card
- Cash or check to make a \$30 opening deposit.

Forms sent to Bremer Bank must be physically signed by the FAIM applicant and/or coach where indicated! Bremer does not accept electronic signatures from outside their system.

BREMER – FAIM ACCOUNT OPENING OPTIONS



- FAIM Savings Account may be opened either:
 - **In person at a local Bremer Bank branch in Minnesota**
 - Make copies of opening forms for your local file.
 - Within 10 days - client must take the originals, their valid MN driver's license/photo ID and \$30 (cash/check) to a Minnesota Bremer Bank branch to open the FAIM account and make the first deposit.
 - We suggest they call the branch ahead to ask if an appointment is required to open a FAIM savings account.
 - After the opening, the client will need to give their coach their full FAIM savings account number and copy of the deposit slip.
 - **Electronically by sending the completed opening forms and copy of client's valid driver's license/photo ID to: depositservices@bremer.com**
 - The client must have an active email and smartphone to open the account electronically. Bremer will send the client a link to follow. The opening steps must be completed within time allowed by Bremer Bank, or the link expires.
 - The client will need to complete a signature card and make the \$30 first deposit to their FAIM account at Bremer Bank as soon as possible – preferably within 10 days.

FAIM ACCOUNT DEPOSITS

Direct Deposit – the participant may set up a direct deposit from payroll, if offered by employer.

Automatic Transfer – participant may set up transfer from another personal account to FAIM savings.

In Person Deposit – participant can stop by any Bremer Bank branch.



FAIM ACCOUNT STATEMENTS

The local coach is required to provide a FAIM account statement to each participant every month - they do not receive an account statement from Bremer Bank.

Other than making deposits, participants do not have access to their FAIM custodial savings account at Bremer Bank.



CREDIT REPORT WITH SCORE – IN PROCESS

The coach/enrolling agency must pull a credit report with score at enrollment and credit score at time of exit from FAIM.

- **Ask FAIM Council member to share:**
 - Where/how do you access/pull a credit report with a score?
 - Is there a fee for pulling the report?
 - What is a soft pull?
 - Where can clients get a free copy of their credit report annually?

FAIM does not require a credit score from each reporting agency (Equifax, Experian, TransUnion).
One credit score with name of reporting agency is sufficient if other scores are not available.

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CLIENT TRAINING REQUIREMENTS

Clients are required to complete 12 hours of financial management training AND 10 additional hours of asset-specific training before requesting payout.

- Twelve Hours of Financial Management Training:
 - Primary curriculum used by FAIM:
 - ❖ LSS Financial Counseling's Four Cornerstones of Financial Wellness
 - ❖ FDIC Money Smart for Adults and the "How Money Smart are you?" online training resource
 - ❖ Other curriculum may be used but must cover the following topics: budgeting to create savings, debt reduction and asset building, building credit, consumer protection and financial institutions

If the training course does not take 12 hours to complete, time must be supplemented by providing the client 1:1 financial counseling – pull and review of their credit report and addressing issues, helping them establish or build credit, creating a budget and a debt reduction plan, etc.

CLIENT TRAINING REQUIREMENTS

- Additional 10 Hours of Asset-Specific Training
 - Home Purchase - Home Stretch or Framework curriculum
 - Post-Secondary Education – student completes career exploration, Accuplacer testing, time with guidance counselor and/or college admissions, campus tours, job shadowing, etc.
 - Business Development – creating the business plan, budget, etc. with guidance from business development center mentor, taking business-related classes, talking about the business with an accountant, lender, insurance agent, attorney, etc.
 - Personal Vehicle Purchase – Car care/buying curriculum, or MN Attorney General Car Handbook supplemented by time spent getting quotes from insurance agents and lenders if a loan is needed, researching vehicles, taking test drives, etc.

CLIENT TRAINING REQUIREMENTS

The MN Attorney General's website also has handbooks and resources available on many topics: <https://www.ag.state.mn.us/Office/Publications.asp>



We strongly recommend working with clients to complete required trainings within the first 6 months of enrollment so the coach can submit client training completion certificates to FAIM Admin for payment of Coaching Dollars to your agency.

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FAIM PAYOUT - OBTAINING THE ASSET

To be eligible for a payout, the client must:

- have met the minimum enrollment requirement of 6 months + 1-day (from their first deposit to FAIM savings)
- have completed both the 12 hours of financial management training/coaching and the additional 10 hours of asset-specific training
- have completed requirements of the asset they chose

FAIM PAYOUT - OBTAINING THE ASSET

The participant must contact their coach 21-days before payment is needed – example: for home closing.

- The time is needed for the coach complete forms and send the payout request to FAIM Admin for processing, for the check to be cut, and for it to reach the vendor by first-class postal mail. WCMCA cuts checks once per week on Thursdays.
- Participant must provide coach documentation of the eligible expense
- The FAIM check is made payable to a third-party vendor, not the client
- Client must provide follow up documentation showing the approved asset was purchased
- Client must provide information for the exit forms and may be asked to provide information for program evaluation.



Verify the client's savings/match available for payout: VistaShare – IDA Account Tab or pull a statement.

Account Balance: total savings + interest in the client's FAIM account at Bremer as of the last weekly bank upload (Admin completes on Tuesday afternoon).

Match Balance: potential match funds earned on savings only (not interest) as of the last upload. Client must meet their minimum enrollment requirement to be eligible for full match on their savings. Minimum enrollment varies by grant, either 6 months + 1-day, or 1 year + 1-day.

Total Balance: current savings, interest, and match potentially available for payout IF the client has completed their trainings and asset requirements.

Account Balance	\$1,630.40	Match Balance	\$4,890.00	Total Balance	\$6,520.40	Deposits	\$1,630.00	Matched Withdrawals	\$0.00
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> Details

∨ Transactions

Search:

Delete...

Add...

<input type="checkbox"/>	Date ↑↓	Description	↑↓	Upload	↑↓	Ovr	↑↓	Account	↑↓	Match	↑↓	Total	↑↓
<input type="checkbox"/>	11/08/2021	EDI: Participant Account Deposit (11/02/2021 to 11/08/2021)		*				\$45.00		\$135.00		\$180.00	
<input type="checkbox"/>	12/31/2021	EDI: Participant Account Deposit (12/28/2021 to 12/31/2021)		*				\$125.00		\$375.00		\$500.00	

MATH - FOR PARTIAL PAYOUT OF SAVINGS AND MATCH



Check the client's IDA tab in VistaShare for available savings and match or pull a current FAIM statement.

If NOT using their full account, you will need to determine the client savings portion and the match portion of the payout.

Client request for payout of \$1,571.73 for tuition:

- The client portion is the amount you will list on the Savings Transfer Request form which tells Bremer how much to transfer from the client's FAIM savings account for their payout.
- To determine the client portion of the payout, divide the total amount needed by 4. **If it doesn't divide evenly to a full cent, ALWAYS round up!**
 - **Example: Total needed is \$1,571.73. Divide \$1,571.73 by 4 = \$392.9325. Round up to \$392.94 for the client portion of the payout.**
- To determine the match portion of the payout, subtract the client savings portion of the payout from the total needed.
 - **Example: Total needed was \$1,571.73 – \$392.94 client portion = \$1,178.79 match portion.**

OBTAINING THE ASSET

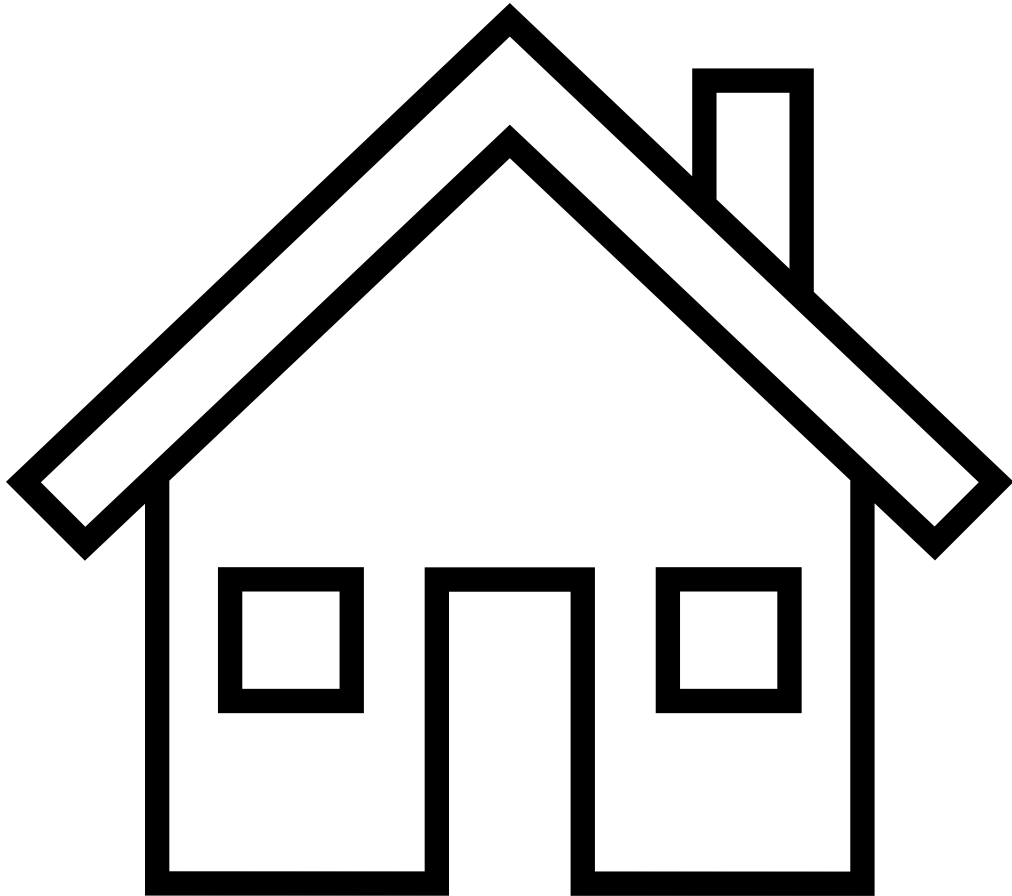


Use the FAIM Coach Payout Checklist and always use current forms posted on the FAIM website.

The asset being purchased must be located in Minnesota!

All payout requests will require

- Matched Withdrawal Form
- Savings Transfer Request Form
 - Signature Authorization for Withdrawals Form
- Education Notes Form
- Supporting documentation for the chosen asset track
- **If it will be the client's only/final payout, complete the Exit form with them.**



HOME PURCHASE EXAMPLE

- Client must provide the following:
 - a copy of their Loan Estimate for a home located in Minnesota.
 - closing agent's name and contact information
- Coach will contact closing agent to verify closing date/time, notify agent of FAIM payment amount that will be sent for down payment and/or closing costs, and that the FAIM funds must be listed on the final closing disclosure.
- Coach will submit payout forms and Loan Estimate to FAIM Admin
- After the closing date the client must provide a copy of their final, signed Closing Disclosure with FAIM payment listed.

POST-SECONDARY EDUCATION EXAMPLE



- Upon receiving, the client is to provide copy of the student's class list and itemized term billing to their coach.
- Coach will check VistaShare for available savings/match amount and complete payout request forms and a Third-Party Billing (TPB) form.
- Coach will send all forms to FAIM Admin with copy of class list and college billing. Once approved by Admin, the coach will submit the TPB to the college as a promise of FAIM payment.
- After the term drop/add date has passed, the college will send final billing to FAIM Admin. Charges will be reviewed and verified before moving forward with the payment. FAIM Admin will contact the coach with next steps.

BUSINESS DEVELOPMENT EXAMPLE



- Client must have a solid idea for startup or expansion of a legal for-profit small business in Minnesota.
- When selecting a business name, client should not choose: John Doe dba John Doe.
- Client must work with a mentor from a business development center/ organization.
 - The mentor will provide guidance for creating the detailed business plan, 12 to 24-month projected budget, etc. and must sign the FAIM Business Plan Approval form after completion and final review.
- Client must apply for an Employer Identification Number (EIN) from the IRS, provide a copy of the assignment letter and complete a W9 Form with the business EIN (no SSN).
 - FAIM requires the EIN even if operating as a sole proprietor.
- Client must register their business with the State of MN.

BUSINESS DEVELOPMENT EXAMPLE



- Client must open a business checking account at an insured financial institution in MN and provide proof of the active account.
- FAIM payment will be issued and sent to client's business.
- The check must be deposited into their business account and spent as indicated in their business plan and list of intended purchases.

Using FAIM funds to purchase a business vehicle is very limited and requires prior approval from Admin.

Client must retain all receipts for purchases made using FAIM funds for a period of at least seven years in case of program review or audit.

PERSONAL VEHICLE PURCHASE EXAMPLE



Client must provide coach copies of the following: vehicle purchase agreement (PA), title (both sides), lien release (if applicable), KBB or NADA market value printout, vehicle inspection form and repair estimate for anything flagged, loan document (if applicable), copy of their valid MN driver's license and proof of current insurance/quote.

Dealership must complete a W9 Form so they can be set up as a vendor WCMCA's system. No W9, no FAIM check.

After verifying documentation, FAIM Admin may issue a Letter of Guarantee as a promise of pending payment.

Upon completion of purchase the client/dealership must provide the following: final signed copy of the purchase agreement with the FAIM payment listed (if pmt not listed, an itemized receipt for the FAIM funds) AND copy of title transfer document that will be filed with the DMV showing transfer of ownership to the FAIM client only.

FIVE MAIN STEPS TO FAIM



Program Overview



1. Eligibility



2. Enrollment and
Opening the FAIM
Savings Account



3. Client Training
Requirements



4. Payout / Obtaining
the Asset



**5. Exit and Closing
the FAIM Account**

CLOSING THE FAIM ACCOUNT

Use the FAIM Exit/Account Closing Checklist on the FAIM website as a guide

Forms needed any time a client leaves the program include:

- FAIM Exit Form – used to close the state FAIM file and VistaShare record
- FAIM Savings Account Closure Form – used to close the client account at Bremer Bank.
 - Make sure you confirm the client's current address with them for this form!
- FAIM Education Notes Form – used to document trainings completed and any services provided to the client by the coach/their agency during FAIM enrollment.
- Optional – FAIM Participant Survey
- Client records must be retained by the local FAIM agency for seven years after that grant closes.

Send the exit forms to FAIM Admin (Sue) for processing.

QUESTIONS???

If you have FAIM questions after this training, please do not hesitate to call or email. Your time is valuable, and we are happy to help you.

Thank you for taking time to attend this training!!

FAIM PROGRAM ADMINISTRATION TEAM

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