

*Center of Latinos Integrated Economic Development of  
Salem: Home Ownership, Small Business Development,  
and Higher Education*

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## TABLE OF CONTENTS

<b>Abstract</b> .....	4-5
<b>Executive Summary</b> .....	6-8
<b>I. Community Needs Assessment</b> .....	10-18
A. Community Profile & Demographics.....	10-12
B. Income Level Needs and Poverty.....	12-13
C. Housing and Home Ownership Needs.....	13-14
D. Educational Needs.....	15-16
E. Economic Development Needs.....	17-18
<b>II. Problem Identification &amp; Solution</b> .....	18-24
A. Problem Statement.....	18-19
B. Target Community.....	19-20
C. Project Goals.....	20-22
D. Project Objectives.....	22-24
<b>III. Project Design</b> .....	24-39
A. Literature Review.....	25-31
B. Program and Participants.....	31-32
C. Community Role and Host Organization.....	32-36
D. Methodology.....	37-37
E. Products and Outputs.....	38-39
<b>IV. Project Implementation</b> .....	39-59
A. Implementation Plan and Execution Chart.....	39-41
B. Staffing Pattern.....	42-44
C. Budget.....	45-46
D. Project Implementation Report.....	47-52
E. Critical Path Worksheet and Project Implementation Gantt Chart.....	52-59
<b>V. Monitoring and Evaluation</b> .....	60-72
A. Management Information System.....	60-60
B. Performance Indicators.....	61-68
C. Evaluation Plan and Reporting.....	69-72
<b>VI. Sustainability Plan</b> .....	72-77
A. Field Observation.....	73-73
B. Sustainability Elements.....	73-74
C. Institutional Plan and Project Transitional Phases.....	74-77
<b>VII. Conclusions &amp; Recommendations</b> .....	77-81
A. Results.....	77-78
B. Recommendations.....	78-81

## Center of Latinos Integrated Economic Development of Salem

<b>VIII. Appendices</b> .....	82-136
A. Needs Assessment Information.....	82-84
B. CLIEDS Comprehensive Operational Chart.....	85-95
C. Staff Job Descriptions.....	96-103
D. Pro Forma (Detailed Cyclical Budget).....	101-101
E. Funding Mini-Proposal, Program Forms, and Benefits of IDAs.....	102-119
F. Other CLIEDS <sup>1</sup> -related Visual Charts.....	120-120
G. Financial Education Modules.....	121-121
H. Board of Directors.....	122-122
<b>Bibliographical Resources</b> .....	122-127

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<sup>1</sup> Throughout the whole document and life of the project **C.L.I.E.D.S.** refers to the name of the project as such, and is the official name of the proposed organization. On the other hand, **C.L.I.E.D.S.** also refers to the group of banks that will come together to support our project/organization financially and in other material ways.

## Center of Latinos Integrated Economic Development of Salem

### **Abstract**

SHCDC established and developed a program named Center of Latinos Integrated Economic Development of Salem (CLIEDS) that offered professional financial literacy workshops with the end of creating Individual Development Accounts (IDA) for 10 local Latino residents of the Point Neighborhood of Salem, Massachusetts whereby participants attempted to save an amount each month towards the goal of either purchasing a new home, starting and developing a micro business, or obtaining a higher education. Working under the main guidance and support of Salem Harbor Community Development Corporation (main host) and under the auspices of Eastern Bank (partner), Salem State College (partner), Beverly Cooperative Bank (partner), and the City of Salem (partner), moneys were raised through foundations, corporations, local banks, individual contributors, private/public agencies, and governmental funds (CDBG) as available to match IDA participants savings on a 3:1 ratio (up to \$ 100.00 per participant per month over 24 months).

Salem State College (partner) is one of the few 4-year higher education institutions in the North Shore region. Salem State College strives to focus on minority, low-income and disadvantaged students as part of its recruitment process with the purpose of offering them a fair opportunity to have access to higher education. With the support of Nancy Harrington, President of SSC, and Shawn Newton, Coordinator of Minority Affairs, SHCDC served as the point of contact between these participants that would decide to obtain a higher education and SSC. In

## Center of Latinos Integrated Economic Development of Salem

Addition, North Shore Community College might also be available for these participants. Beverly Cooperative Bank (partner) (Bill Howard) held the Individual Development Accounts and received these participants interested in buying a home and work with them through their housing program to pre-qualify them for affordable mortgages. These participants would then receive home ownership training through the City of Salem (partner) (Jane A. Guy) with their first-time buyers program. Also, these participants interested in developing a micro business met with our local Salem Harbor CDC (partner) (Debora Askanese) to explore the available and affordable (viable!) options of business development and planning. Last but not least, Eastern Bank (Ed Alcantara) offered the professional financial literacy workshops to our participants. Our proposed project – Center of Latinos Integrated Economic Development of Salem (CLIEDS) – is currently serving as the point of contact between our targeted low-income Latino population and the aforementioned various organizations/affiliates with the purpose of promoting the economic development of our participants through asset-building and wealth accumulation mechanisms.

SHCDC evaluated the success of this program by following up and determining (1) how many of the initial 10 participants completed the savings program (measured as saving the target amount of money); (2) participation and delivery of at least 10 training modules in financial literacy, higher education, home ownership, and/or business development; and (3) how many of these participants successfully went into a higher education institution (SSC), buying a home or starting a micro business in the City of Salem.

## **Executive Summary**

C.L.I.E.D.S.<sup>17</sup> defining concept consists of helping the local low-to-moderate income Latino residents of the Point Neighborhood in the city of Salem, Massachusetts to escape the intergenerational poverty cycle by enabling them to get educated about their personal finances, providing saving capital through Individual Development Accounts, and giving them the necessary asset-building and technical mechanisms to either buy a house, develop a small business, and/or getting access to higher education.

The estimate number of Latinos residing in the city of Salem is of approximately 700-1000 families, meaning that 5,000 of the total 40,407 population of Salem – 12 – 15% -- are of Latino origin (U.S. Census Bureau 2000). The majority of individuals belonging to this target population are renters, dependable on one fixed and bi-weekly income as opposed to valuable assets and investments, and are below or at the high school level as well as uneducated about finances.

The main current situation that needs to be changed is of a tripartite nature: that is, (a) there is a lack of knowledge-education regarding the dynamics of finances in the Latino population, (b) there is a lack of access to capital and asset-building mechanisms in the City of Salem, and (c) there is of a lack of connection with local financial institutions that could serve as the financial channeling instrument to help the local Latino population of Salem -- particularly in the Point Neighborhood -- to develop economically and improve their quality of life. If the local Latino population residing in the Point Neighborhood is not educated financially (i.e. asset-

Center of Latinos Integrated Economic Development of Salem building mechanisms, asset accumulation, bank accounts, money management, available economic resources, savings plan, and other financial topics), and is not supported economically by local financial institutions as well as through other financial means (private and public sector, foundations, federal and state initiatives, corporations, and generous contributors), then the risk of intergenerational poverty transmission will be increased within this ethnic group, and this, in turn, may affect the local economy of the city of Salem.

The desired conditions for the low-to-income Latino community of Salem should be to help this target population to make a transition to homeownership, business development, and education.

This has been precisely the overall purpose of my pilot project: the establishment and development of an institutional non-profit program named Center of Latinos Integrated Economic Development of Salem (CLIEDS) that offers professional financial literacy workshops with the end of creating Individual Development Accounts (IDA) for the local low-to-moderate income Latino residents of The Point Neighborhood of Salem, Massachusetts whereby participants will save an amount each month towards a goal of either purchasing a new home, starting and developing a micro business, or obtaining a higher education.

Most of our goals and objectives have been met, however the goals and objectives related to funding are the ones that have not been fully met due to funding delay. Even though C.L.I.E.D.S<sup>1</sup>. developed and presented a funding and fundraising plan to various local financial

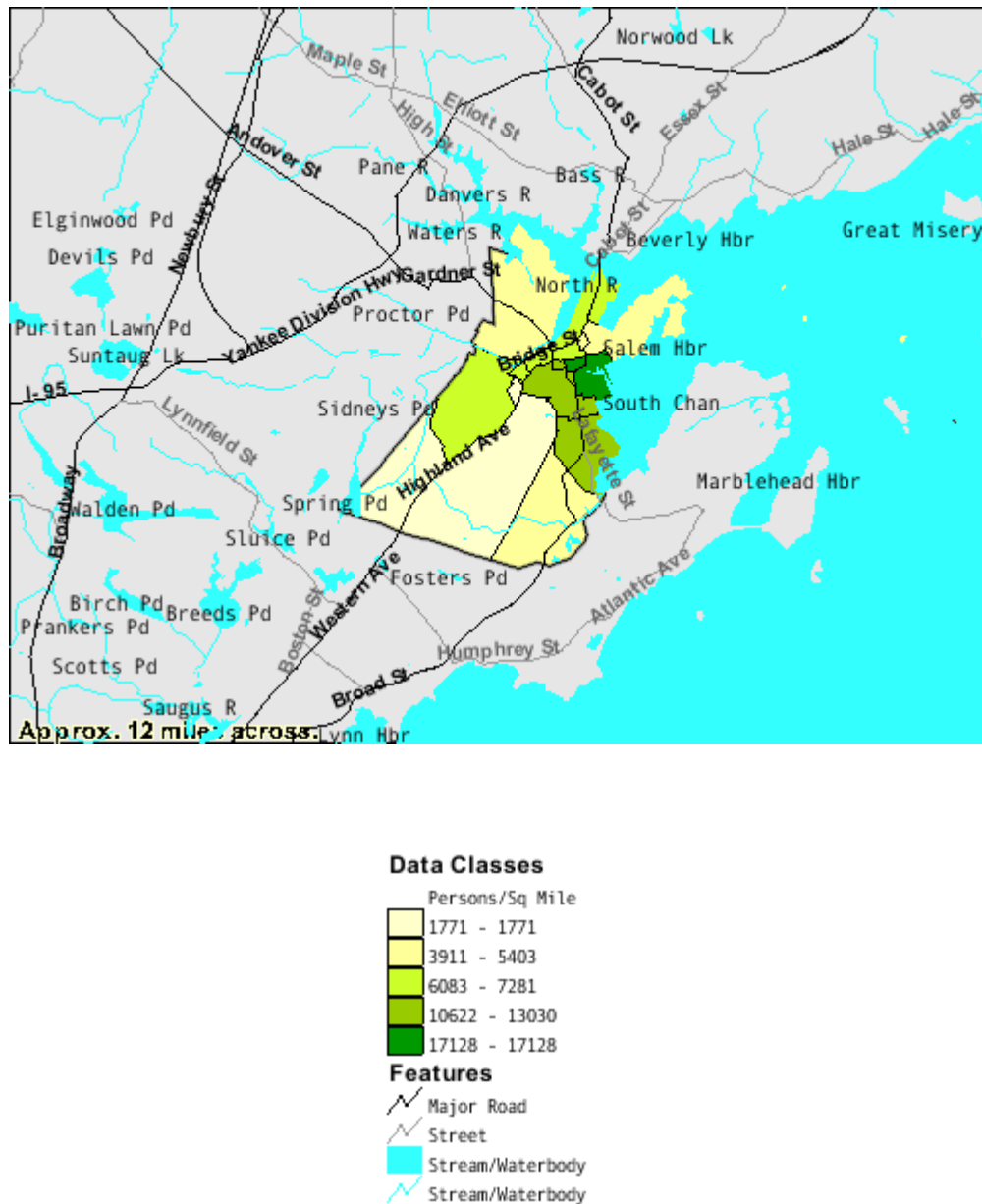
Center of Latinos Integrated Economic Development of Salem institutions the response has been slow and delayed. Considering the lack of funds and financial assistance the target community has been empowered in several ways: 1) they have tapped into “hidden” leaders/resources that have volunteered for the financial education modules, 2) participants have opened accounts and changed their attitudes and behavior towards saving and the banking system, 3) participants have committed themselves to the recruitment of others to join the life and process of the project. This twofold mobilization with modules imparters and active participants has been constant and the interest has not been lost.

Currently, there are two pending funding applications. The Linden Foundation recently received our application and is reviewing it for approval; and the American Express Foundation for Literacy Education is in the process of reviewing our application. Both of these results will be revealed by the middle of April. As it can be sensed, the most difficult aspect of implementing and setting the IDAs was the funding piece.

Due to these unexpected results, CLIEDS has arrived at various conclusions and recommendations that may be helpful to CED practitioners and the field of IDAs. CLIEDS strongly recommend to CED and IDAs practitioners to revisit and reconsider the whole idea that IDAs are CED projects. Based on our results, we have concluded that IDAs serve better as a tool rather than as a CED project as such. In addition, the funding for IDAs needs to be in place if the practitioner plans to bring the project to its full cycle, as well as to be able to quantifiably measure the impact of the project within one year of both implementation and evaluation.



## Center of Latinos Integrated Economic Development of Salem



**Salem is an historic seaside community located approximately 16 miles north of Boston, Massachusetts with a strong and rapidly growing Latino population.**

## **I. Community Needs Assessment**

### **A. Community Profile and Demographics**

The estimate number of Latinos residing in the city of Salem is of approximately 700-1000 families, meaning that 5,000 of the total 40,407 population of Salem – 12 – 15% -- are of Latino origin (U.S. Census Bureau 2000). Out of approximately 5,000 Latinos in the city of Salem, there are 200 Mexicans, 800 Puerto Ricans, 60 Cubans, and 3,940 other Latinos from other Latin American countries. According to the U.S. Census Bureau Survey conducted in the year 2000, “the total population of Salem increased by 6.1%. Latinos had a larger numerical growth than any other group, increasing by 1,993 or 78.2%. Latinos now represent approximately 12 % of the population, an increase of 4.5 percentage points and the largest gain of any group. Please refer to Table 1 to get a sense of Salem’s Latino family structure.

**Table 1**

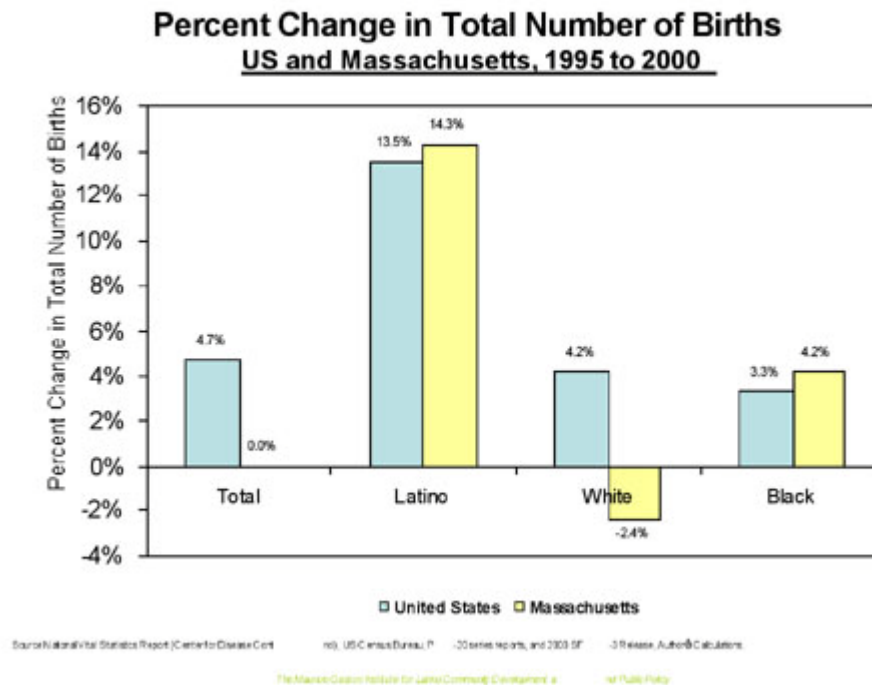
#### **Salem - Family Structure Growth 2000**

<b>Categories</b>	<b>2000</b>		<b>1990</b>		<b>Change</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Percent</b>	<b>in Percent</b>
Latino Headed Households Families:	1,049	80.6	575	80.1	82.4	0.5
with related children <sup>a</sup> :						
Married Couple, with children	307	23.6	164	22.8	87.2	0.7
Female Head, with children	459	35.3	254	35.4	80.7	-0.1
Male Head, with children	66	5.1	24	3.3	175.0	1.7
without related children:						
Married Couple, no children	111	8.5	65	9.1	70.8	-0.5
Single, no children	106	8.1	68	9.5	55.9	-1.3
Non-Family Household	253	19.4	143	19.9	76.9	-0.5
Total Households	1,302	---	718	---	---	---

Sources: Census Bureau: 2000, 1990(a). <sup>a</sup> Own or related children under 18 only.

Salem has the 19<sup>th</sup> largest population of Latinos in Massachusetts and the 37<sup>th</sup> largest in the New England states. As a percentage of the total population, the Latino population in Salem ranks 10<sup>th</sup> in the state of Massachusetts” (The Mauricio Gaston Institute 2003). It has to be remembered that these figures are based on the year 2000 U.S. Census Bureau; therefore, it could easily be estimated – based on projected statistical calculations – that the current number of Latinos residing in Salem has significantly increased in three years. The same Gaston Institute concluded that, “All Latino national-origin groups grew significantly between 1990 and 2000. The largest group in Salem is Dominican, at 47.9 %, followed by “Other” Latinos and Puerto Rican. “Other” Latinos were the fastest-growing population, growing by 378 %, a trend seen across the U.S.” (The Mauricio Gaston Institute 2003). Please refer to Table 2 & 3 to compare the rates of Latinos growing in United States, Massachusetts, and Salem.

Table 2



**Table 3****Salem - Growth by Ethnicity**

2000 Number	1990		Growth		Change		in Percent
	Percent	Number	Percent	Number	Percent		
Hispanic or Latino	4,541	11.2	2,548	6.7	1,993	78.2	4.5
White	33,277	82.4	34,348	90.2	-1,071	-3.1	-7.8
Black or African American	966	2.4	564	1.5	402	71.3	0.9
American Indian and Alaska Native <sup>a</sup>	59	0.1	63	0.2	-4	-6.3	0.0
Asian <sup>a</sup>	797	2.0	508	1.3	306	60.2	0.7
Pacific Islander <sup>a</sup>	17			0.0			
Some other race <sup>b</sup>	132	0.3	60	0.2	72	120.0	0.2
Two or more races <sup>b</sup>					618	1.5	
Total	40,407		38,091		2,316	6.1	

Sources: Census Bureau: 2000, 1990(a).

Note: Growth figures will not balance due to the new multiracial category.

**B. Income Level Needs and Poverty**

Although the income characteristics of the Latino Salem population were not provided by The Gaston Institute, the institute did mention the income levels for Latino residents throughout the state of Massachusetts. These were the figures provided by The Gaston Institute (2003): “The median family income of Latinos in Massachusetts remains well below that of white and black families. According to 2000 census data, the real median family income for Latino families was \$27, 885, compared with \$65, 327 for white non-Latino families and \$38, 565 for black families.” (US Census Bureau, 2000a) This trend that is visible throughout the state of Massachusetts can also be seen in the city of Salem. According to the US Census Bureau, the median income for families with children was \$25,396 in 2000, with 26% of families living below the poverty line and there are specifically “610 families (6.3%) and 3,787 individuals (9.7%) below poverty level in the city of Salem.” (US Census Bureau, 2000a). These figures support the proven fact that people of Latino origin constitutes nearly 20% of all people living in

poverty in the state of Massachusetts. In addition, “poverty rates for Latino families, working Latino families, and Latino children in Massachusetts are disproportionately high. In 2000, more than one-fourth of Latino families lived in poverty (28.5 %), while the poverty rate was 4.6 % for white non-Latino families and 18.3 % for black families. In addition, the “Report on Poverty in the United States: 2002” did expose that “among people who reported Hispanic (of any race), the number in poverty increased, from 8.0 million in 2001 to 8.6 million in 2002...” (U.S. Census Bureau, 2002)

### **C. Housing and Home Ownership Needs**

The Mauricio Gaston Institute has provided some figures regarding the family and social structure of the Latino population throughout the state of Massachusetts that are also applicable to the Latinos residing in Salem. In the city of Salem Latino families occupied 1, 302 housing units. Latino residents owned 181 of these housing units whereas the other 1, 121 housing units were being rented by Latinos. This means that the renting rate for Latinos in the city of Salem of approximately 86%. Only a 14% of the Latino population appear to be homeowners. These are the numbers presented by the Institute: “The largest segment of Latino households in Massachusetts is made up of married-couple families, but female-headed families are a significant proportion of the total. In 2000, more than one-third (36.3%) of Latino households were married-couple families; however, slightly more than a fourth (26.6 %) of Latino households were female-headed. In comparison, 51.3% of white households in Massachusetts were married-couple family households in 2000, and 9.6% were female-headed family households.” (The Gaston Institute, 2003) Other significant figures provided by the Gaston

Institute are regarding the issue of “renting vs. owning” a place to live. Most Latinos in Massachusetts are renters. Homeownership rates overall are relatively low among Latinos. Slightly more than one-fifth (21.8 %) of Latinos were homeowners in 2000, which was much lower than the state average of 61 %. By comparison, in 2000, 65.9 % of whites and 31.3 % of blacks were homeowners. Based on their research the institute discovered that, “Latino-headed households are much more likely to rent than to own their home, 86.1 % versus 13.9 %, although there has been a 5.1 % increase in home ownership since 1990.” (Gaston Institute 2003) Please refer to Table 4 to specifically see the housing and homeownership figures among Latinos.

In addition, the median price of a single-family house in Salem has increased nearly three-fold over the past 10 years, from \$111,600 in April 1994 to \$325,000 in April 2004. The median price of a condominium in Salem has more than doubled, from \$109,500 to \$261,500 over the same period. After years of escalating rental prices, the rental market has been softening slightly of late with upper-income residents taking advantage of low interest rates to make the relatively easy leap from high median monthly rents to mortgage payments. Among home sales, the condominium market has been especially hot.

**Table 4**

**Salem – Households by Tenure**

	2000		1990		Growth		Change
	Number	Percent	Number	Percent	Number	Percent	in Percent
Latino Headed Households							
Total Households	1,302	718	584	81.3	---	---	---
Owners	181	13.9	63	8.8	118	187.3	5.1
Renters	1,121	86.1	655	91.2	466	---	71.1

Sources: Census Bureau: 2000, 1990(a).

#### **D. Educational Needs**

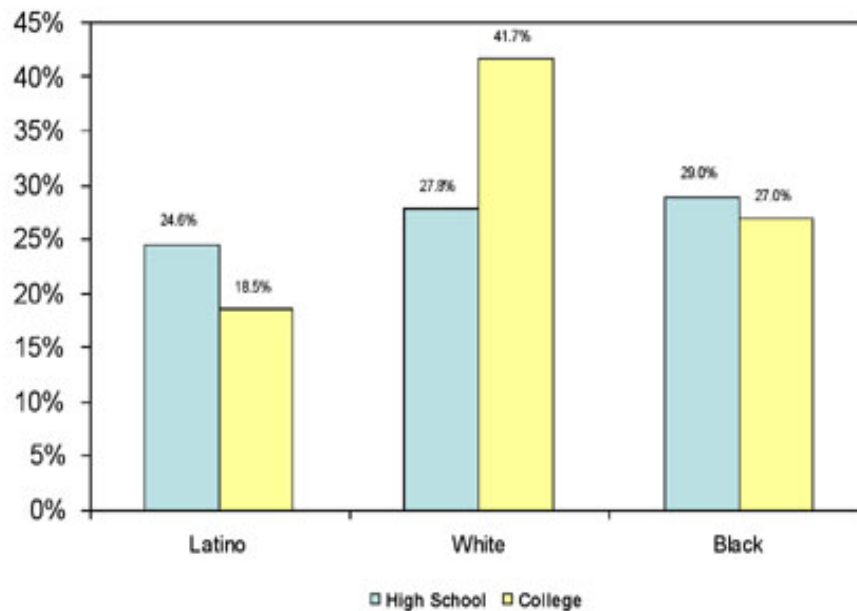
The current available statistics for the Latinos' educational performance is very similar to the rates of poverty, income, homeownership and business development experienced by Latinos throughout Massachusetts. According to the US Census Bureau, "there is a much smaller percentage of high school and college graduates among Latinos than among either whites or blacks. In 2000, one in four (24.6 %) Latinos 25 years old and over had graduated from high school and even fewer (18.5 %) had graduated from college. In contrast, more than one in four (27.8 %) whites and almost one in three (29 %) blacks 25 years old and over had completed high school, and 41.7 % of whites and 27 % of blacks had completed college in 2000" (U.S. Census Bureau, 2000a).

In the city of Salem there is only a 31.1% (5, 887) of the total population of 25 years and over that holds a Bachelor's degree or higher. Latinos are members of the various underrepresented groups in the nation's higher educational institutions; these low-income, first-generation students on average have had the greatest difficulty in gaining access to and completing higher education. Among low-income, disadvantaged first-generation students who are at risk, these racial/ethnic (Latinos) group members are disproportionately underrepresented among the eligible students who have a need for higher education. Besides being underrepresented, poverty and inadequate preparation are a major reason for low educational access and achievement. One of the major reasons for this low access to education as well as achievement, as described by the College Board of Salem State College in 1985 and can continue to be applied today is that access to..."sufficient financial assistance to pursue higher education opportunities ultimately

determine which students will receive a true education and which will merely be trained to assume a permanent role in the nation's under-classes" (Natale, 2000). Please refer to Table 5 (Source: US Census Bureau, Long Data, SF-3 Release) to notice comparison trends in education regarding Latinos and other ethnic groups throughout the state of Massachusetts. These figures are also applicable to the Latino population of Salem.

**Table 5: Ethnic Educational Comparison**

**Massachusetts High School and College Completion  
by Race, 2000**



The Market Center Institute for Latino Community Development is not Public Policy



### **E. Economic Development Needs**

The City of Salem, under the guidance of Stanley J. Usovicz, Jr. (Mayor), Patrick Reffett (City Planner and Community Development Director), and Jane A. Guy (Assistant Community Development Director) has developed a 5 Year Consolidated Plan which included a CNA (August 2000) to improve the quality of life of the residents of Salem at all levels. Although during the Economic Development Discussion of Needs in the city of Salem, there were not clear priority needs to be developed out of the citizen participation process, the generated report did mention that the “average relative needs were to concentrate on bringing in new business, revitalizing existing business downtown, creating jobs, targeting economic development to minorities and improving accessibility.” (Reffett & Guy, 2000) The City of Salem has as one of its objectives to create a Point Neighborhood Main Street Loan Program targeted to creating jobs and creating or/and expanding businesses in the Point Neighborhood. The generated 5 Year Consolidated Plan, after mentioning various geographic investment areas, did include the Point Neighborhood as an important local region to Salem’s economic vitality (Reffett & Guy, 2000).

After providing these many statistical figures about various needs in the city of Salem, it is definitely clear that there is an intense gap in the areas of housing/homeownership, business/economic development, and access to higher education for the local Latino residents of Salem. The various sources aforementioned concur about the reality faced by the Latino residents of Salem: that is, Latinos residing in the Point Neighborhood need to 1) make a transition from being renters to being

owners; 2) start creating and developing more local businesses; and 3) have access to higher education with the end of converting this educational investment into capital investment in the future.

## **II. Problem Identification/Solution**

### **A. Problem Statement**

The main current situation that needs to be changed is of a tripartite nature: that is, (a) there is a lack of knowledge-education regarding the dynamics of finances in the Latino population, (b) there is a lack of access to capital and asset-building mechanisms in the City of Salem, and (c) there is of a lack of connection with local financial institutions that could serve as the financial channeling instrument to help the local Latino population of Salem -- particularly in the Point Neighborhood -- to develop economically and improve their quality of life. If the local Latino population residing in the Point Neighborhood is not educated financially (i.e. asset-building mechanisms, asset accumulation, bank accounts, money management, available economic resources, savings plan, etc.), and is not supported economically by local financial institutions as well as through other financial means (private and public sector, foundations, federal and state initiatives, corporations, and generous contributors), then the risk of intergenerational poverty transmission will be increased within this ethnic group, and this, in turn, may affect the local economy of the city of Salem.

Due mainly to this lack of empowerment through knowledge-education as well as to the lack of capital and asset-building mechanisms the local low-to-moderate income

Latino residents of the Point Neighborhood will continue to 1) be renters instead of owners, 2) be unable to start and develop a micro business, and 3) be unable to have access to a higher education. Therefore, the lack of capital and assets in conjunction with the lack of financial knowledge-education about the multiple opportunities for growth within the capitalist system and the three aforementioned areas for change are the most urgent aspects for change within the low-income Latino population of the Point Neighborhood.

This is a critical economic as well as developmental issue faced by the Latino population in Salem as well as throughout the United States. Recently the U.S. Census Bureau (2003) declared Latinos as the biggest and fastest-growing minority within the U.S. projecting to triple itself by the year 2050. Ironically enough, the Latino population in comparison to the African-Americans and Caucasians are barely benefiting from initiatives such as the IDAs and other asset-building mechanisms. As of June 30, 2000 the Downpayments on the American Dream Policy Demonstration had only enrolled 9 % participants of Latino origin (Legislature, 2000, p. 3). The ethnic groups with the highest percentage were Caucasians (37 %) and African-Americans (47 %). Taking, then, these figures into consideration, the purpose of my proposed project will be to increase the Latino participation in the mainstream economy by supporting them financially – through the IDAs – as well as educationally – through the Financial Literacy Workshops.

## **B. Target Community**

The immediate causes of this particular problem seem to be related to three main variables. The first variable is the following one: it has been suggested that the Latino community is not very well educated about the economic dynamics and opportunities for growth within our capitalist system. The second variable is the lack of access to capital and asset-building mechanisms. And, the third and last variable is that there is not any existing organization in the town of Salem (Salem Harbor CDC being the exception, and currently they do not have an IDAs Program in place; something that they have been trying to implement for years!) seriously committed to eradicate progressively this financial ignorance and its material consequences (i.e., low-income, inability to create assets, economic stagnation, lack of capital, strategic and systematic inability to save money, etc). In other words, the third variable refers to the lack of particular financial organizations dedicated solely to deal with this issue that is latent and tangible with the local low-to-moderate income Latino community of Salem. If nothing is immediately done about this recognized issue, the target community, which is comprised of all the low-to-moderate income Latino residents in the Point Neighborhood will continue to perpetuate the cycle of poverty, to which they already belong.

## **C. Project Goals**

This has been precisely the overall purpose of my pilot project: the establishment and development of an institutional non-profit program named Center of Latinos Integrated Economic Development of Salem (CLIEDS) that offers professional financial literacy workshops with the end of creating Individual Development Accounts (IDA) for

the local low-to-moderate income Latino residents of The Point Neighborhood of Salem, Massachusetts whereby participants will save an amount each month towards a goal of either purchasing a new home, starting and developing a micro business, or obtaining a higher education. CLIEDS intends to provide to some of the 700-1000 families of the Point Neighborhood – a Latino population of approximately 5,000: 12-15 % of the total Salem population (U.S. Census Bureau, 2000) -- with the necessary asset-building and accumulation mechanisms and capital, financial knowledge as well as to enable them to concretely and materially develop economically with the financial support of a local coalition and through foundations, corporations, local banks, individual contributors, private/public agencies, and governmental funds.

Besides this matrix goal, CLIEDS also has 9 main goals to accomplish. These are the following (please refer to the “CLIEDS Comprehensive Operational Chart” for more details):

- 1- Increase Latinos participation in Individual Development Accounts.
- 2- Increase Latinos knowledge of finances.
- 3- Have the financial and committed support of 5 local institutions on a constant basis (Salem Harbor CDC, Salem State College, Eastern Bank, City of Salem, and Beverly Cooperative Bank).
- 4- Obtain enough funding for pilot project and subsequent established program.
- 5- Recruit participants for IDAs and FLW on a continuous basis.
- 6- Increase participants' involvement & active participation with CLIEDS.
- 7- (a) Make the Latinos transition from being renters to homeowners.

- (b) Make the Latino population move away from being only consumers to developing their own small businesses.
- (a) Help to increase the Latinos access to higher education.
- 8- Increase the number of active participants and savers within CLIEDS.
- 9- Research as to why the Latino population in U.S. – being the biggest minority – is not benefiting as it should from IDAs programs in the United States.

#### **D. Project Objectives**

There are various and specific steps to be followed within this project as well as by each participant and affiliate in order to fulfill the mission of CLIEDS. The measurable objectives that have been established for the program participants and for CLIEDS are as follows:

##### **1- Objective for Goal #1:**

- Open and hold ten (10) initial IDAs for the Latino population of the Point Neighborhood with a matching ratio of 3:1.

##### **2- Objective for Goal #2:**

- Impart at least 10 Financial Literacy Workshops (FLW) to participants.

##### **3- Objectives for Goal #3:**

- (a) Establish an umbrella-like and committed relationship with Salem Harbor CDC (main host) in which they will serve as our fiscal agency.
- (b) Develop and establish a partnership with at least 3 local organizations such as SSC, Eastern Bank, Beverly Cooperative Bank, and City of Salem.

**4- Objectives for Goal #4:**

- (a) Obtain, at least for the initial phase of the project, full funding for at least 5 participants that could possibly save up to \$100. 00 for 24 consecutive months.
- (b) Create a funding proposal and target potential funders (foundations, local businesses, public and private sectors, corporations, individuals contributors, and others) as available for the purpose of requesting financial support for the rest of operational expenses of CLIEDS.

**5- Objective for Goal #5:**

- Recruit 10 participants for IDAs and FLW in conjunction with the office of Transitional Assistance located in Salem (47 Congress Street).

**6- Objectives for Goal #6:**

- Involve participants with CLIEDS at three various levels:
  - (a) to be members of the Board of Directors
  - (b) train at least 3 participants that will be willing to assist in 2-3 basic modules of FLW.
  - (c) train at least 1 participant to become an administrative assistant within CLIEDS.

**7- Objectives for Goal #7:**

- (a) Increase the number/percentage of Latino homeowners.
- (b) Increase the number/percentage of Latinos to develop their small businesses.

- (c) Increase the number/percentage of Latinos to have more access to institutions of higher education.

**8- Objective for Goal #8:**

- As funding/monies become available, expand the number of participant/savers from 10 during the initial/pilot phase of the project into 12-15 for the second phase of the program.

**9- Objective for Goal #9:**

- Create a research space within CLIEDS to investigate the correlations, relationships, and variables between the Latino population and IDAs programs throughout various states of United States, particularly within Massachusetts.

For the specific and measurable steps/activities to be taken in order to accomplish all the objectives, please refer to “CLIEDS Comprehensive Operational Chart” for further details.

**III. Project Design**

The main design of CLIEDS is going to be structured in a tripartite fashion. First of all, a Coalition of Local Institutions for the Economic Development of Salem (CLIEDS<sup>2</sup>) will be formed to obtain the necessary financial, service, and material support that our program will need to effectuate its goals and objectives. Secondly, once this coalition has been established additional and potential funders will be approached and asked for an interest in forming a partnership with CLIEDS with the end of supporting us



financially. Last but not least, the Individual Development Accounts will be created and the Financial Literacy Workshops implemented and imparted to participants.

Salem State College (partner) is one of the few 4-year higher education institutions in the North Shore region. Salem State College strives to focus on minority, low-income and disadvantaged students as part of its recruitment process with the purpose of offering them a fair opportunity to have access to higher education. With the support of Nancy Harrington, President of SSC, and Shawn Newton, Coordinator of Minority Affairs, I intend to serve as the point of contact between these participants that decide to obtain a higher education and SSC. Beverly Cooperative Bank (partner) will then hold the Individual Development Accounts and receive these participants interested in buying a home and work with them through their housing program to pre-qualify them for affordable mortgages. These participants will then receive home ownership training through the City of Salem (partner) with their first-time buyers program. Also, these participants interested in developing a micro business will meet with our local Salem Harbor CDC (partner) to explore the available and affordable options of business development and planning. Last but not least, Eastern Bank will be offering the professional financial literacy workshops to our participants. Our proposed project – Center of Latinos Integrated Economic Development of Salem (CLIEDS) – will serve as the point of contact between our targeted Latino population and the aforementioned various organizations/affiliates with the purpose of promoting the economic development of our participants through asset building and accumulation mechanisms.

## **A. Literature Review**

Individual Development Accounts is considerably a recent phenomenon in the history of United States assets-building and accumulation policies. Its past can be easily tracked down to 14 years of development and activities with the first policy reports on IDAs by the Corporation for Enterprise Development (CFED) in the year 1990. Immediately after this public announcement and initiative in the year 1990, information, pilot projects, legislative proposals, and tax-related activities have been emerging throughout various states within United States with the end of promoting IDAs as well as of expanding them throughout the nation. Since this starting date, as Ray Boshara and Elizabeth Corman (1999) say, IDAs have been “spreading fast throughout the U.S. and have created a ‘buzz’ among policymakers, foundations, and financial institutions” (p. 35).

IDAs have relatively a short history, but one that is consistent with the efforts and struggles of those promoting and supporting them at all levels. Therefore ten essential milestones need to be considered in order to understand the trajectory of IDAs:

- In the year 1990 the first policy reports on IDAs were published by the Corporation for Enterprise Development (CEFD) and the Progressive Policy Institute.
- In 1991 the first state IDA legislation was introduced in Iowa.
- In 1993 the first state IDA law was enacted in Iowa.
- In 1995 the first national IDA conference was held in Chicago, IL with 150 attendees.

- In 1996 The Joyce Foundation funded three pilot programs in Illinois, Indiana, and Wisconsin.
- In 1998 the Assets for Independence Act (AFIA) was signed into law in October, establishing a 5-year, \$ 125 million federal demonstration for IDAs.
- In October, 1999 the Internal Revenue Service (IRS) ruled that matching IDA funds under AFIA are not taxable to account holders, and that contributions to IDA initiatives funded under AFIA are tax deductible.
- In December 2000 Congress appropriated a full \$ 25 million for AFIA in fiscal year 2000. Also, Congress and President Clinton approved a set of amendments to AFIA that were introduced and advocated for on behalf of the IDA field.
- In February, 2001 President Bush includes IDAs for homeownership in his proposed initiatives for the Department of Housing and Urban Development.
- And in March 21, 2001 Senators Lieberman and Santorum and Representatives Watts and Hall introduced the Savings Opportunity and Charitable Giving Act of 2001, a bill that would expand charitable giving, strengthen community-based organizations, empower working families through IDAs. (What is an IDA?, 1999),

These are only ten of the most important milestones in the history of IDAs throughout United States. With this in mind, it is easier to understand what is happening with IDAs nationwide and where IDAs initiatives are heading to in the future.

Currently IDA initiatives exist in about 350 communities, with about another 100 in development. Overall, at least 10,000 people are currently saving in IDAs, and 28 states include IDAs in their state Temporary Assistance for Needy Families (TANF) plans (as allowed by the 1996 welfare reform law); 30 states have passed some form of IDA legislation, and four states have IDA legislation pending. According to the article, *What is an IDA?* “only six states have no known IDA activity.” (1999, p. 12) With these figures in mind, the future of IDAs is almost foreseeable and predictable with a positive impact on low-income participants and families.

Most IDAs programs throughout the nation insist that success is dependable upon three main features. First of all, IDAs programs need to target the right sources of funding and develop good funding strategies for states. Some of these funding tactics are: Direct Appropriation from the State Treasury, Tax Credit for IDA Contributors, Welfare Reform, Allocation of CDBG, Refundable Tax Credits for Account Holders, Wage Subsidiaries for IDA-like Accounts, and other foundations, corporations, and private/public sector. Secondly, according to Boshara and Corman, the development of a solid and well-established partnership is the hallmark of any successful IDA program (1999, p. 3). And thirdly, financial literacy education is necessary for and required of all ADD participants. Data on financial education suggests that financial education improves saving performance. However, the article *What is an IDA?* Suggests that “it was also brought up in the same Internet source that more research is needed to clarify this association with more precision” (1999, p. 12).

It is important to notice that even though the United States already has an asset-development policy and has engaged in various initiatives to help the poor through federal and state programs, it really fails to reach low-income Americans. Boshara and Corman (1999) strongly criticize the United States anti-poverty and asset-development initiatives by saying that United States has in fact two very well distinct social policies: “asset development for the non-poor, and asset denial for the poor. And, given the huge disparities in wealth between equally positioned white and blacks (well documented by Oliver and Shapiro) (and this is without taking Latinos into consideration!), it is fair to say that the United States has an asset discrimination policy as well” (1999, pp. 6-7). This statement can definitely be reflected in the statistical figures gathered in the last 4 years regarding IDAs activities throughout U.S. ADD data shows that as of June 30, 2000 the three main groups of participants were composed of Caucasian (37 %), African-American (47 %), and Latinos (9 %). On the other hand, three years later the 2003 IDA Program Survey collected information on accountholder demographics and found out a small and interesting shift in the statistics. According to this survey Caucasian holding IDAs increased to a 44 %, while the number of African-American holding IDAs decreased to a 36 %, while the percentage for Latinos only increased slightly to a 13 % (CFED, 2000). The figures suggest a clear shift: White-Caucasians seem to increase in thier participation of IDAs whereas African-Americans are increasing in number. Last but not least – and interesting enough since Latinos are the biggest and fastest-growing minority within United States projecting to triple itself by the year 2050 – the number of Latino participants in IDAs programs slightly increased from 9 % to 13 %, a number and percentage relatively low for such a gigantic population.

Besides these statistical figures that do in fact convey a point about IDAs and the Latino population, there also needs to be a close examination of the correlation between assets to income. Statistics are not enough! An analysis of the wealth accumulation mechanisms and dynamics needs to be taken into consideration. This is a very important point that has been emphasized by most theorists that advocate for a fair wealth accumulation policy. Sherraden (1991) says that “while there is a strong relationship between income and assets, they are different concepts. Assets refer to the stock of wealth in a household whereas income refers to the flow of resources in a household.” (p. 32) In other words, and expressed differently by Shapiro (2001), “Assets give families the capacity to engage more fruitfully and meaningfully with the world enhancing their ability to improve their place in it” (p. 45). To confirm this angle Wolff (2002) says, “without wealth a family lives from hand to mouth, no matter how high its income” (p. 57).

Through research and contacts with various community leaders from the cities of Salem and Beverly, it was learned and discovered that North Shore Community Action Plan located in the city of Peabody does currently have an IDA program. This is the only program that is currently running in the north shore area, and is mainly targeted toward the Latino and Portuguese low-income female market exclusively. The program has been in existence for two years (two one-year saving cycles), focuses on homeless women, and is currently directed by Mrs. Bernardine Young.

There were a couple of peculiar facts about this particular IDA program. One of the facts is that it is exclusively for formally homeless women. Women who were previously on a homeless shelter and are trying to get back to the day-to-day regular working life qualify for this program. The only requirements (criteria!) needed to qualify for the IDA program were that you were formally a homeless women, have a current job, and contacted the agency (NSCAP) directly. This is the only best practice found in the North Shore vicinity.

In conclusion, asset-development mechanism is not a new theory used to help low-income individuals and families. There have been previously several attempts, similar to the IDAs initiatives, such as the Homestead Act, GI Bill, IRAs, 401(k)s and the home-mortgage interest deduction that have intended to help millions of American families acquire assets and achieve economic independence. IDAs are just another way of expanding those efforts initiated by the government many years ago. The purpose of IDAs is to help America's working-poor families save, acquire assets, and participate more fully in the economy. The theory behind IDAs is basically of tripartite nature that attempts to integrate 1) accessibility to capital as matching monies, 2) financial education, and 3) a strong sense of collaboration among various institutions to help low-income participants acquire assets and radically break the intergenerational transmission of poverty.

## **B. Program and Participants**

As it was mentioned earlier, part of C.L.I.E.D.S.<sup>1</sup> mission is to serve as the point of contact between the organizations and affiliates connected to our program and the local low-to-moderate income Latino residents of the Point Neighborhood. The real mission of C.L.I.E.D.S.<sup>1</sup> is to help the local low to moderate income Latino residents of the Point Neighborhood in the city of Salem, Massachusetts to escape the intergenerational poverty cycle by enabling them to get educated about their personal finances, providing saving capital through Individual Development Accounts, and giving them the necessary asset-building mechanisms to either buy a house, develop a small business, and/or getting access to higher education. The initial duration of the program was 2 years with an extension to effectuate participants' investments. This duration has been selected as a testing period to ensure the successful performance of the program. Once the duration has expired and the goals and objectives have been fulfilled successfully, then the program's capacity will definitely be expanded and extended to incorporate a bigger number of participants as well as more comprehensive services to the participating residents. This seems to fit perfectly well with current research that indicates that most of the 14 IDAs program in the state of Massachusetts that are located nearby the Boston central area (Boston = 6, Bedford = 1, Allston = 1, Stoneham = 1, Hyannis = 1, Holyoke = 1, Lawrence = 1, Lowell = 1, and Dorchester = 1) started as a pilot project and then developed and established themselves as stable programs with a greater capacity to serve its target population. In addition, there is only one IDA Program in the city of Peabody, Massachusetts. (Please refer to the Literature Review section for more details) In other words, by creating CLIEDS in the North Shore area of Massachusetts,



particularly in Salem participants that have never been part of an IDA can have the space and opportunity to do so.

### **C. Community role and Host Organization(s)**

The five (5) main local institutions that have been part of the coalition and that have hosted our program are Beverly Cooperative Bank, Salem State College, Salem Harbor CDC, Eastern Bank, and the City of Salem. These 5 major organizations have sufficed for the provision of only some of the necessary services to the participants. Surprisingly enough, the current 7 empowered financial educators come directly from the community and are willing to donate their time, skills, and knowledge pro bono for the sake of the community's empowerment.

Originally, ten (10) participants have been taken directly from the Point Neighborhood of Salem. However, this number ended up being 6. The participants have participated in the initial financial literacy workshops, created the IDAs, and then decided by themselves – with the guidance and counseling services of our main host and affiliates – on how they will like to invest the saved monies (i.e. buying a home, creating a micro business, and/or having access to higher education).

This is a community project that came from the community and belongs to the community. All supportive financial institutions are local, all financial literacy imparters came directly from the community, and all participants have been selected from the community. The participants have been meeting, besides the financial literacy education

modules time, on a weekly basis with some of our staff to receive counseling and financial guidance on their credit reports, possible avenues of investments, and saving strategies instructions.

The community of participants have been involved at various levels of participation with CLIEDS. CLIEDS got participants involved at three levels: (1) by being members of the Board of Directors, (2) by having at least 2-3 participants assisting in 2 basic modules of the Financial Literacy Workshops, and (3) by training at least 1 participant to become an administrative assistant within CLIEDS.

There are also various other stakeholders that have been identified as potential supporters and/or competitors of CLIEDS. Please refer to the following stakeholders tables to know who these stakeholders are and their level of commitment.

**Stakeholders' Initial Analysis (Participation) (#1):**

Stakeholder	Description of Participation	Eval	Impact of Participation	Rate	Plan
<b>Latino Residents Salem</b>	Recipients of Fin. Lit. Wsps. Ownership/Entrepreneurship Potential savers	High	Would mobilize and motivate the rest of the community to participate	+	Initial instrumental and authentic meetings with Latino residents. Offer solid and well-prepared financial literacy workshops and a solid explanation of what IDAs are all about.
<b>Local Financial Institution</b>	Provision and Availability of Capital and Financial Literacy Workshops – Point of Contact	High	Would provide appealing and satisfactory services to the Latino population	+	Establish a very professional and official link with the providing financial institution
<b>Project Organization (CLIEDS)</b>	Facilitation of Financial Literacy. Bridge between Latino Residents and local Financial Union	High	Would serve as the mediator and facilitator between the community and the financial institution	+	Network with the existing financial agencies and organization to serve as the mediator/facilitator between them and the participants

## Center of Latinos Integrated Economic Development of Salem

<b>Other Banks</b>	Competitive Rates and alternative services	High	May compete with already established credit unions or potential financial institutions	+	Get the best possible rates and services through our existing financial partner
<b>Possible Community Center</b>	Providing the Community with various resources (i.e. meeting and open space)	Med.	Could strengthen and support the current effort to progress economically and socially	-/+	Utilize their available physical space to provide financial literary workshop and other services presented by our organization

### Stakeholders' Impact Analysis (Interactive Involvement) (#2):

<b>Name of stakeholder group and/or organization.</b>	<b>Potential Benefits (+)/Costs(-)</b>	<b>Project discussed with this group or organization?</b>	<b>What is their opinion of the project &amp; its goals?</b>	<b>What is their opinion of the project design?</b>
<b>Eastern Bank</b>	<b>+</b> (Benefits): * more members * supporting community economic development	Yes	Sounds like a great idea and most likely we can provide the financial education as well as (possible) some funding. Its goals are attainable!	Great idea about the local institution coalition.
<b>Salem Harbor CDC</b>	<b>+</b> (Benefits): * implementation of IDAs and fulfillment of its mission	Yes	Very enthusiastic about the project and eager to support initiatives and efforts	Impressed by the comprehensive approach of CLIEDS
<b>VOCES</b>	<b>+</b> (Benefits): * more involvement with the community	Yes	Something that was needed in the community, and believe that the goals are attainable.	They think that it is realistic one!
<b>St. Joseph Catholic Church</b>	<b>+</b> (Benefits): * potential increase of members	Not anymore	Church has been closed!	Church has been closed!
<b>Salem State College</b>	<b>+</b> (Benefits): * a formal and business affiliation with CLIEDS in favor of the community economic well-being of Salem	Yes	A great idea which can bring many great benefits to the Latino community as well as to the rest of the Salem community. Showed some concern about the funding process and resources.	A great design. Liked the idea of the dual approach: Education & Economics to fight the issue of poverty among Latinos in Salem.

Center of Latinos Integrated Economic Development of Salem

<b>Neighbor to Neighbor Association</b>	<b>+ (Benefits):</b> * A greater contact with the community	Yes	A good idea that will revitalize The Point Neighborhood by empowering its residents with the necessary knowledge and concrete financial tools.	Great idea that will enhance residents' participation and involvement with other organizations in the community.
<b>Project Organization (CLIEDS)</b>	<b>- (Costs):</b> * Staff * Materials * Workshops * Operational expenses	Yes	Something that is needed in the Latino community of Salem.	Showed positive attitudes about the design, but some concerns about the funding process.
<b>Beverly Coop Bank</b>	<b>- (Costs):</b> * loss of clientele	Yes	Enthusiastic about the project and willing to invest in it!!!	Thought about developing a partnership with other agencies/organizations
<b>Community Center</b>	<b>+ (Benefits):</b> * Initial positive involvement with community	Yes	Ready to offer support and materials available.	Showed some concern about the needed office space available to operate.
<b>Latino Residents of the Point Neighborhood</b>	<b>+ (Benefits):</b> * education about finances * potential ownership of property and entrepreneurship	Yes!	During various of our focus groups as well as in our kick-off event the potential participants showed a lot of interest and thought the program was a missing component of many agencies in Salem	They really thought that it was ideal and fitting their current needs.
<b>City of Salem</b>	<b>+ (Benefits):</b> * Supporting the economic and educational development of Latinos in the city of Salem	Still in progress	Initial meetings being developed and scheduled	Still pending!

**Stakeholders' Analysis Matrix (Attitudes and Influence) (#3):**

Stakeholders	Stakeholders' Interest(s) in the Project	Assessment of Impact	Attitud		Influence		Potential Strategies for Obtaining Support or Reducing Obstacles
			E	C	E	C	
<b>Latino Residents of the Point Neighborhood</b>	++	Positive	++	/	H	/	Obtaining Support: Initial instrumental and authentic meetings with Latino residents.

## Center of Latinos Integrated Economic Development of Salem

<b>St. Joseph Credit Union (Church closed - Discarded)</b>	++	Positive	++	?	H	/	Obtaining Support: Establish a very professional-solid-official and documented link/networking with the providing financial institution.
<b>Salem Harbor CDC</b>	0	Positive	0	??	H	/	Both: Set up an initial meeting (which has already been set up) to discuss goals and mission of this project.
<b>Salem State College</b>	+	Positive	+	?? ?	L	/	Obtaining Support: Support has already been obtained within SSSP.
<b>Eastern Bank</b>	++	Positive	+	??	M	/	Reducing Obstacles: Reiterate the non-profit nature of project and the benefits it tries to accomplish for the local Latino residents of the Point Neighborhood.
<b>Community Center</b>	++	Positive	++	/	M	/	Obtaining Support: Converse with main organizer to have access to conference space/rooms.
<b>VOCES</b>	++	Positive	++	/	M	/	Obtaining Support: Initial meeting with main leader to utilize their location as a strategic point to contact residents of the Point Neighborhood. Contact has already been made.
<b>Beverly Cooperative Bank</b>	++	Positive	++	/	L	/	Obtaining Support: Holding IDA Accounts and being the means of partnership with Beverly Bootstaps.
<b>Neighbor to Neighbor Association</b>	++	Positive	++	/	M	/	Obtain Support: Contact has already been made with the governing board.
<b>The city of Salem</b>	0	Positive	++	?	H	M	Obtaining Support: Re-contact Jane A. Guy who was originally contacted for CNA.

### Key Sets for Symbols (Stakeholders' Analysis Matrix):

#### Column #4:

E = Estimate  
C = Confidence

#### Column #2 & #4:

++ = strongly in favor  
+ = weakly in favor  
0 = indifferent or undecided  
- = weakly opposed  
-- = strongly opposed

#### Column #3:

/ = fully confident  
? = reasonably confident  
?? = informed guess  
??? = wild guess or/and sheer fantasy

#### Column #4:

H = High Influence  
M = Medium Influence  
L = Low Influence

## D. Methodology

Salem State College (partner) is one of the few 4-year higher education institutions in the North Shore region. Salem State College strives to focus on minority,

low-income and disadvantaged students as part of its recruitment process with the purpose of offering them a fair opportunity to have access to higher education. With the support of Nancy Harrington, President of SSC, and Shawn Newton, Coordinator of Minority Affairs, I intend to serve as the point of contact between these participants that decide to obtain a higher education and SSC. Beverly Cooperative Bank (partner) will then hold the Individual Development Accounts and receive these participants interested in buying a home and work with them through their housing program to pre-qualify them for affordable mortgages. These participants will then receive home ownership training through the City of Salem (partner) with their first-time buyers program. Also, these participants interested in developing a micro business will meet with our local Salem Harbor CDC (main host) to explore the available and affordable options of business development and planning. Last but not least, Eastern Bank will be offering the professional financial literacy workshops to our participants. Our proposed project – Center of Latinos Integrated Economic Development of Salem (CLIEDS) – will serve as the point of contact between our targeted Latino population and the aforementioned various organizations/affiliates with the purpose of promoting the economic development of our participants through asset building and accumulation mechanisms.

#### **E. Products and Outputs**

There were several products and outputs that this program generated throughout its initial phase and duration by April 2005. These products/outputs fall into various categories:

***#1- Contractual Agreements (Partnerships) (by March, 2004):***

- Established formal agreements with all CLIEDS partners (Salem State College, Salem Harbor CDC, Beverly Cooperative Bank, Eastern Bank, and the City of Salem) to form a financial local coalition that will support our project.

***#2- Financial Support to CLIEDS (Fundraising) (by August, 2004):***

- Established a lasting and permanent supportive relationship with potential financial supporters (i.e. governmental agencies, local businesses, foundations, investors) as they match up saved amount by participants and contribute to operational expenses.

***#3- AFIA & Funding Applications (Funding) (Delayed)***

- CLIEDS submission an application to the Assets For Independence Act – as well as to other IDAs Funding sources.

***#4- 10 Financial Literacy (Financial Education) (By September, 2004):***

- Delivered Financial Literacy Workshops to 6 low- and moderate-income Latino participants from the Point Neighborhood in the city of Salem.

***#5- 10 Individual Development Accounts (IDAs) (By September, 2004):***

- Establishment of 6 IDAs for low-income Latino participants.

***#6- Homeownership, MicroBusiness, and Education (Beyond April '05):***

- Have 10 participants either purchasing a house, starting a micro business, and/or going to college to pursue a higher education.

***#7- Research facility (Research Capacity) (By April 2005)***

- Evidence of correlations as to why Latinos are not benefiting from IDAs nationwide as other ethnic groups.

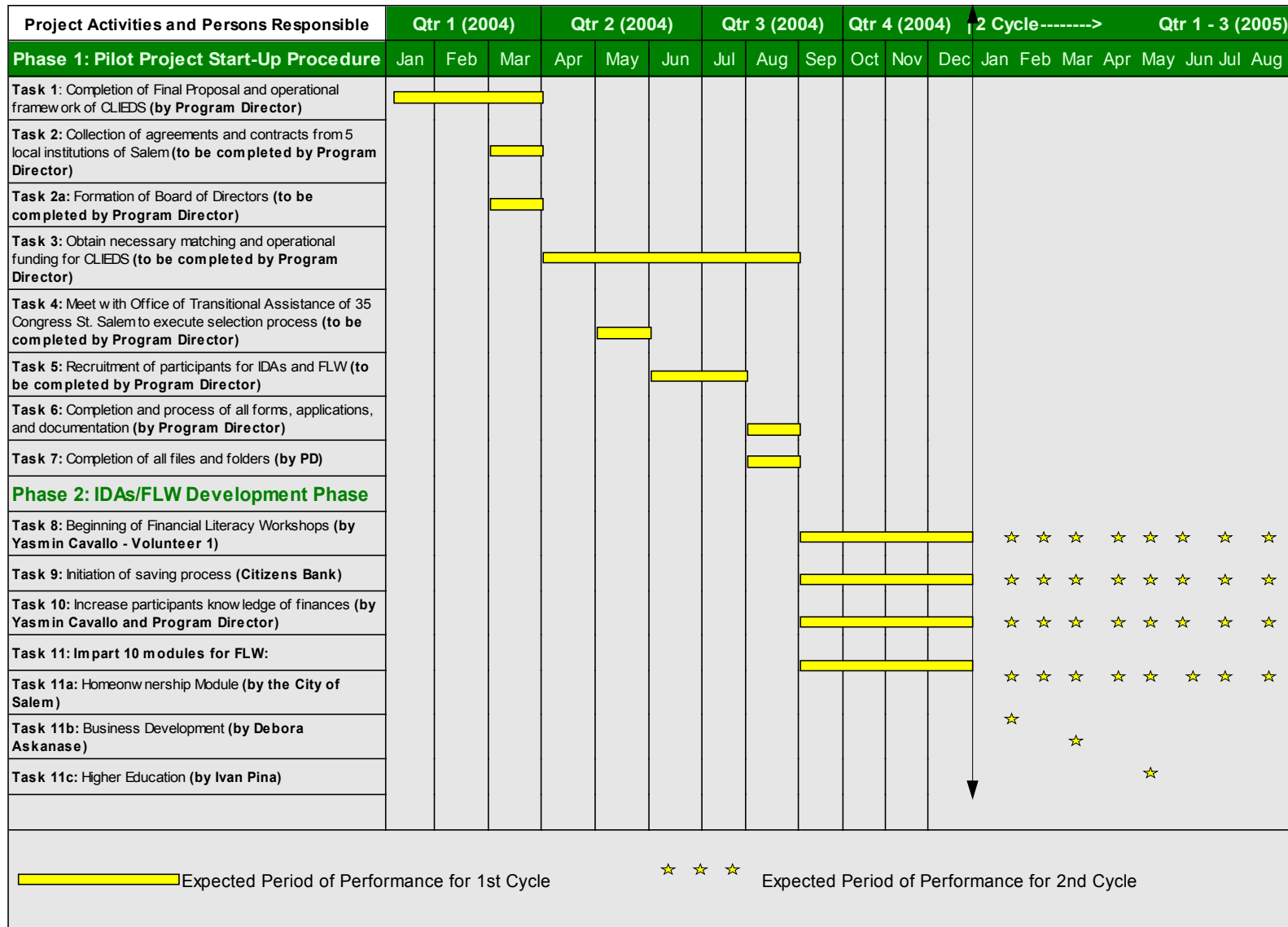
#### **IV. Project Implementation**

This section focuses mainly on concrete patterns of implementation: that is, the activities to be carried out, when and by whom; how many staff members will be needed to accomplish the implementation process of CLIEDS; and what are the resources – financial and otherwise – needed to materialize the goals and objectives of CLIEDS.

##### **A. Implementation Plan and Execution Chart**

The implementation plan of CLIEDS consists of four various although interrelated and interdependable phases. These four phases will be presented in a table format below indicating mainly the activities to be accomplished and the persons responsible for accomplishing such activities (For further details regarding resources needed, and timeline, please refer to the Appendix #2 [CLIEDS Comprehensive Operational Chart] and Chart #3 [Gantt Chart]).





Project Activities and Persons Responsible	Qtr 1			Qtr 2			Qtr 3			Qtr 4 (2004)			2 Cycle----->			Qtr 1 - 3 (2005)				
Phase 3: Evaluative and Research Phase	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Task 12: Increase participants involvement with CLIEDS by offering them training, the opportunity to either be Board members or/and volunteers at CLIEDS (by PD and Yasmín Cavallo)													★	★	★	★	★			
Task 13: Begin process of selecting options of investment of saved monies (by Program Director)																		★	★	
Task 14: Increase number of participants/savers (by Administrative Assistant, Volunteer 2, and Office of Transitional Assistance)																		★	★	
Task 15: Execute intense and progressive work of evaluation (by Research Assistant and Administrative Assistant)																				
Task 16: Generate an evaluation report to be handed out to coalition, funders, and Board of Directors (by Carmine Romano and Administrative Assistance)															★			★		★
Task 17: Start Research Strategies regarding variables between Latinos and IDAs in U.S. (by Research Assistance and Program Director)																				➡
Phase 4: Institutionalization Phase																				➡
Task 18: Make transition from a pilot project into a well established IDA Program(by James Haskle)																				➡
Task 19: Secure financial commitment and funds from: (by Fundraising Consultant)																				➡
Task 19a: Local 5 institutions from Salem																				➡
Task 19b: Potential funders such as foundations, government, public/private sector, corporations, and businesses.																				➡
Task 20: Comply with legal & governmental laws:(by Shawn Newton, PD, and James Haskle)																				➡
Task 20a: Fill out application for a 501 (c) (3)																				➡
Task 20b: Creation of by-laws and incorporation.																				➡
Task 21: Establish CLIEDS as an official/legal program for IDAs and FLW (Final Successful Product)																				➡
Center of Latinos Integrated Economic Development of Salem (C.L.I.E.D.S.), Massachusetts, U.S.A.																				
<div><div></div> Expected Period of Performance for 1st Cycle    ★   ★   ★ Expected Period of Performance for 2nd Cycle    ➡ Continued Performance</div>																				

## **B. Staffing Pattern**

The staffing pattern for C.L.I.E.D.S.<sup>1</sup> consists mainly of 9 – 10 persons.

Program Director met with the Executive Director of Salem Harbor CDC, James Haskell, several times to discuss the possibility of implementing CLIEDS in the local community of Salem and under the guidance and umbrella of the CDC. Mr. Haskell presented himself very enthusiastic about the project and extended his support for such, commenting that he himself has been trying to bring IDAs to the community of Salem for a long time. Mr. Haskell worked with me on this endeavor. He also made known to me that the Board of Directors of Salem Harbor CDC approved this proposal and project.

Project developer acted as the Program Director managing all the operations that took place within CLIEDS. Program Director supervised all the staff directly, and, in turn, will be supervised by James Haskell. CLIEDS also had a volunteer Administrative Assistant that was in charge of most of the clerical work as well as of the organization and monitoring of the Financial Literacy Workshops in conjunction with Yasmin Cavallo as well as Ed Alcantara who imparted most of the modules.

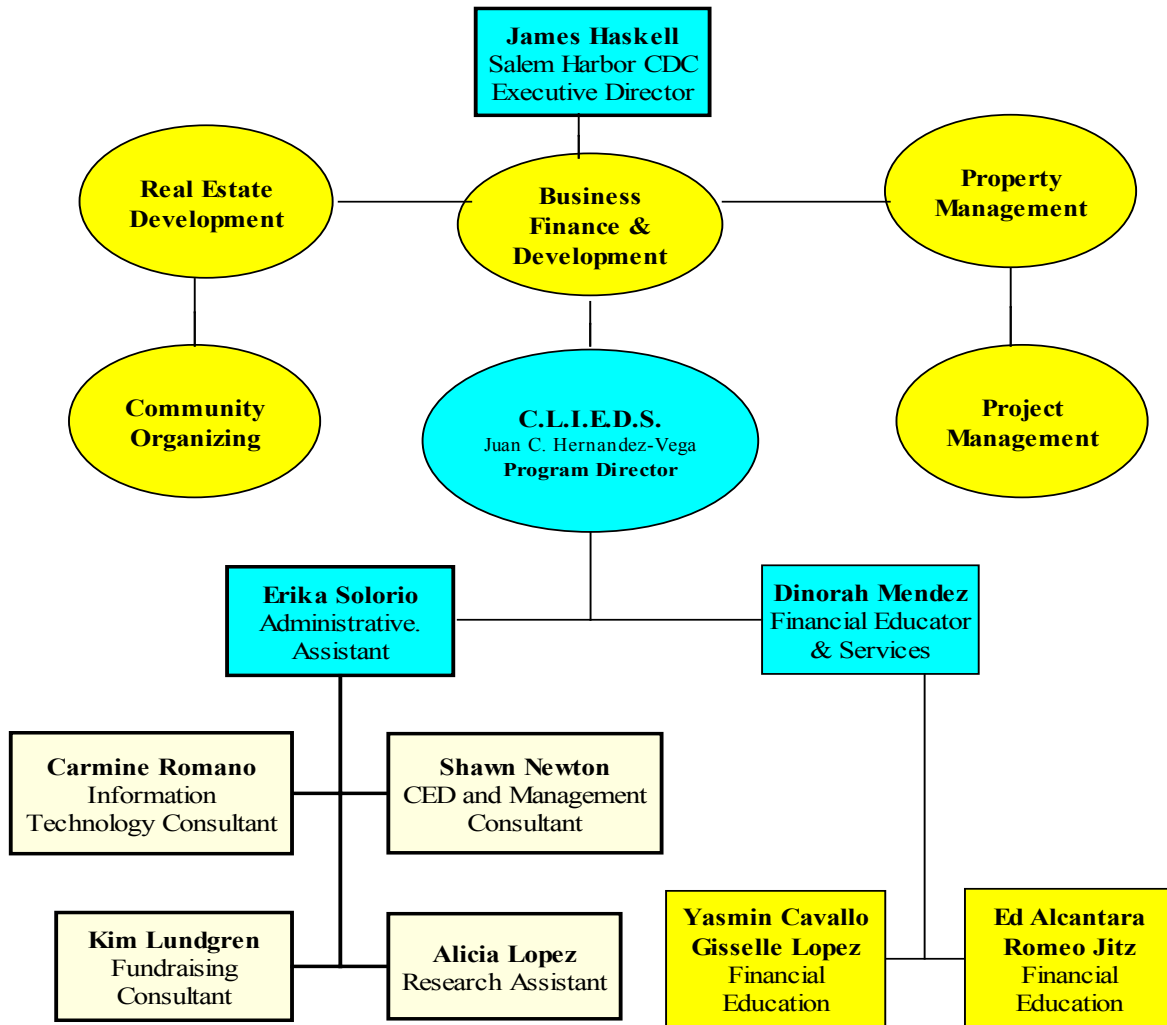
In order to support the inner operations (infrastructure) of CLIEDS Program Director also counted on two main professionals that have offered their in-kind services during the initial stages of the program. Carmine Romano (Information Technology Consultant) has committed to provide us with technical and information technology support during the beginning of the formation of CLIEDS. Also, Shawn Newton, CED

and Management Consultant, provided us with guidance and support regarding the management and main operations of CLIEDS.

Finally, in order to assure the financial sustainability of CLIEDS Program Director hired a Fundraising Consultant (Kim Lungren) who helped us gain financial stability through the development of essential strategies that could be utilized with potential funders. In addition, as it has been stated in our “CLIEDS Comprehensive Operational Chart” one of our main goals is to continue researching on why the Latino population has not been benefiting, as it should from IDAs throughout U.S. In order to accomplish this task Program Director worked with a Research Assistant who helped CLIEDS gather sound empirical information and solid statistics regarding the variables between the growing Latino population and the provision of IDAs program nationwide. The Research Assistant was also in charge of generating and putting together the professional evaluation reports of CLIEDS.

For job descriptions and further details on operational duties please refer to  
Appendix 4

**CLIEDS' Organizational Chart**



Staff training will be specially needed for the position of Administrative Assistance due to the novelty of IDAs and the nature of nonprofits as well as for the Research Assistance position due to the specificity of statistics and variables that need to be investigated.

### **C. Budget**

The main costs for CLIEDS will be primarily allocated into three main areas: that is, personnel, IDAs matching monies, and Financial Literacy Workshops. 45.2% of the operational budget will be going towards salaries including Program Director, Administrative Assistant, Research Assistant, and job-related benefits; and 40.3% of our budget will go towards matching IDAs on a 3:1 ratio as well as towards covering expenses related to the Financial Literacy Workshops. Then our next highest percentage (4.5 %) will be directed towards rent and other office supplies. Last but not least, the rest of the budget will be committed to the following areas:

- 2.3 % will go to equipment
- 3.5% will be spent on consultants
- an additional 1.7% will be reserved for training costs
- 1.4% will be used for evaluation and assessment purposes
- and 1% will go to indirect costs

It is also worth noticing that for the initial phase of the program, up to April 2005 the Program Director will provide his services pro bono and on a totally volunteer basis. Then once the fourth phase of the institutionalization of the project begins, Program Director will start making a salary (\$ 35, 000. 00) that has been presented in the Annual Budget Summary Table on Appendix 5 (for further details regarding budgeting and costs, please refer to Appendix 5 where the Annual Budget Summary Table is presented). Additionally, a Two-Year Cyclical Program Budget has also been created and included as part of the Appendices.

**Annual Budget**

Budget Line Items	Unit Cost	# Units	Amount
<b>I. Personnel Salaries and Wages/Fringe Benefits</b>			<b>(45.2% of Budget)</b>
A. Program Director	\$ 35,000.00	1	\$ 35,000.00
B. Administrative Assistant	\$ 12,000.00	1	\$ 12,000.00
C. Research Assistant	\$ 5,000	1	\$ 5,000.00
<b>II. IDA Matching Monies &amp; Financial Literacy Workshops</b>			<b>(40.3% of Budget)</b>
A. For 10 Participants	\$ 1,200.00	12 (3:1)	\$ 43,800.00
B. Financial Lit. Workshops	\$ 2,600.00	1	\$ 2,500.00
<b>III. Consultants</b>			<b>(3.5% of Budget)</b>
A. Fund Raising Consultant	\$ 2,000.00	1	\$ 2,000.00
B. Management Consultant	\$ 2,000.00	1	\$ 2,000.00
<b>IV. Other Direct Costs/Supplies</b>			<b>(4.5% of Budget)</b>
A. Office Rent	\$ 333.33	12	\$ 4,000.00
B. Office Supplies	\$ 1,500.00	1	\$ 1,200.00
<b>V. Equipment</b>			<b>(2.3% of Budget)</b>
A. Computer	\$ 2,000.00	1	\$ 2,000.00
B. Printer/Scanner/Fax/Copier	\$ 300.00	1	\$ 300.00
C. Softwares/Applications	\$ 500.00	3	\$ 400.00
<b>VI. Evaluation and Assessment</b>			<b>(1.4% of Budget)</b>
A. Accounting Software	\$ 300.00	1	\$ 300.00
B. MIS IDA Software	\$ 300.00	1	\$ 300.00
C. Research Expenses	\$ 1,000	1	\$ 1,000.00
<b>VII. Indirect Costs</b>			<b>(1% of Budget)</b>
A. Indirect Costs	\$ 1,500.00	1	\$ 1,500.00
<b>VIII. Training Costs</b>			<b>(1.7% of Budget)</b>
A. Staff Training	\$ 2,000.00	1	\$ 2,000.00
<b>Total Budget</b>			<b><u>\$ 115,000.00</u></b>

**D. Project Implementation Report**

Program Director has included a task-oriented and step-by-step implementation chart with the various activities that have been executed on a monthly basis since the month of January 2004 until April 2005. This chart will serve as an evaluation tool.

<b>Month</b>	<b>Activities</b>
<b><i>January 2004</i></b>	<ul style="list-style-type: none"> <li>1 Initiation of CLIEDS project proposal</li> <li>2 Contacts with 1st year classmates (Brenda Jones)</li> <li>3 Contact (e-mail) with P. Freixas-Camayd for negotiation advice as well as letter of support</li> <li>4 Contacts with 2nd year classmates (Walkiria B.)</li> <li>5 Meeting with Credit Union to request funding</li> <li>6 Obtained Support Letter from Yoel Freixas-Camayd</li> <li>7 Meeting with ED of Salem Harbor CDC (James Haskell)</li> <li>8 2nd meeting with Credit Union (funding &amp; by-laws difficulty)</li> <li>9 Meeting with James Haskell to discuss funding activities</li> <li>10 LISC funding application submitted to P. Jones</li> </ul>
<b><i>February 2004</i></b>	<ul style="list-style-type: none"> <li>11 LISC funding application rejected by P. Jones □ 12 2nd draft of project proposal submitted to P. Freixas-Camayd</li> </ul>
<b><i>March 2004</i></b>	<ul style="list-style-type: none"> <li>13 Formation and Approval of Board of Directors</li> <li>14 3rd draft of project proposal submitted to P. Freixas-Camayd</li> <li>15 Collection of agreements and contract of organizations</li> </ul>
<b><i>April 2004</i></b>	<ul style="list-style-type: none"> <li>16 Final proposal completed and submitted for approval</li> <li>17 Contact FDIC (Sachie Tanaka) for Financial Literacy Training</li> <li>18 Contact Boston FDIC regional officer (Tim DeLissio)</li> <li>19 Obtain matching and operational funding</li> </ul>
<b><i>May 2004</i></b>	<ul style="list-style-type: none"> <li>20 Project presentation to academic community at SNHU</li> <li>21 Correspondence w/ James Haskell (Salem Harbor CDC)</li> <li>22 Salem Harbor CDC accepts to be CLIEDS fiscal agent</li> <li>23 Meetings w/ J. Haskell regarding fundraising requests</li> <li>24 Letter to Mass. House Representative (Frederick Berry)</li> <li>25 Federal funding inquiry thru Rachel Banov</li> <li>26 Federal funding inquiry thru James Gatz</li> <li>27 Meeting w/ Office Transitional Assist. regarding candidates</li> </ul>
<b><i>June 2004</i></b>	<ul style="list-style-type: none"> <li>28 Meeting w/ Salem State College (Shawn Newton)</li> <li>29 Meeting w/ providers of Financial Education (brainstorm session)</li> <li>30 Initial Recruitment of participants for IDAs and Financial Education</li> </ul>
<b><i>July 2004</i></b>	<ul style="list-style-type: none"> <li>31 Meeting w/ MIDAS (Margaret Miley) @ Lynn Housing Auth.</li> <li>32 Meeting w/ J. Haskell regarding people criteria selection</li> <li>33 Correspondence with R. Banov regarding federal funding</li> <li>34 New Partnership w/ Beverly Bootstraps initiated</li> </ul>



<b><i>August 2004</i></b>	<p>35 Tim DeLessio confirmed FDIC Training for CLIEDS</p> <p>36 FDIC Agenda developed by Kip Child</p> <p>37 Update J. Haskell regarding FDIC Training for CLIEDS</p> <p>38 FDIC certificate development and format</p> <p>39 Correspondence with FDIC participants</p> <p>40 FDIC Training Day by DeLessio and K. Child</p> <p>41 Processing of all participants' pre-applications</p> <p>42 Preview process of all files and applications of interest participants</p>
<b><i>September 2004</i></b>	<p>43 Modules for FLT established and confirmed</p> <p>44 Publicity of CLIEDS thru Salem Evening News</p> <p>45 2nd Meeting w/ MIDAS (Margaret Miley) @ Boston</p> <p>46 Verbal Interest (Eastern and Beverly Bank)</p> <p>47 Beverly Holding IDA Accounts (Verbal Agreement.)</p> <p>48 Beginning of FLT (postponed for - Nov. 15, 2004.)</p> <p>49 1st IDA savings (postponed - Dec 15th, 2004)</p> <p>50 Increase participants knowledge of finances</p> <p>51 Impart @ least 2 modules of FLT</p> <p>52 Home ownership, higher education, and business seminars</p>
<b><i>October 2004</i></b>	<p>53 Meeting w/ SHCDC &amp; Beverly Bootstraps (partnership)</p> <p>54 Policies &amp; criteria for participants selection</p> <p>55 Beginning of actual screening process and participant selection</p> <p>56 Development of mini-proposal for banks requesting monie</p> <p>57 New employment for J.H. working for SHCDC</p> <p>58 IDAs Publicity and Promotion around Salem</p> <p>59 Recruitment and Processing of 15 participants</p>
<b><i>November 2004</i></b>	<p>60 Fundraising plan presented to various banks</p> <p>61 Kick-off Event for IDAs &amp; Financial Education</p> <p>62 1st Financial Education Class imparted</p> <p>63 Spoke to Eastern Bank Vice President regarding monie</p> <p>64 Partnership with Beverly Dissolved</p> <p>65 St. Joseph Credit Union Support Collapsed</p> <p>66 2nd Financial Education Class imparted</p>
<b><i>December 2004</i></b>	<p>67 Beverly Bank approached for financial support</p> <p>68 BankNorth was contacted regarding financial support</p> <p>69 Kim Lundgren to help us with fundraising strategies</p> <p>70 3rd Financial Education Class imparted</p> <p>71 Participants will make their 1st deposits (\$) by December</p>

<b><i>Jan. – April 2005</i></b>	<p>72 Funding petition pending: Linden Foundation still reviewing request for \$10,000 dollars for matching savings</p> <p>73 Funding petition pending: American Express Foundation for Literacy Education still reviewing funding request for \$25,000 Dollars, and Eastern Bank funding commitment.</p> <p>74 Generating Evaluative Reports</p> <p>75 Presentation of Project to School of CED Academy, SNHU</p>
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## Goals and Objectives

### 1. Increase Latinos participation in Individual Development Accounts.

-Open and hold ten (10) initial IDAs for the Latino population of the Point Neighborhood with a matching ratio of 3:1.

- **This goal has been partially met.** Six (6) participants have been selected and are actively participating in the Financial Literacy Workshops. Since funding has been delayed, participants will be making their first deposits in Dec. 2004. *Therefore, even though funding has been delayed participants made regular savings deposits at least 5 times with a minimum amount of \$45.00 dollars.*

### 2. Increase Latinos knowledge of finances.

- Impart Financial Literacy Workshops (FLW) to participants.

- **This goal is progressively being completed and achieved.** *Thus far 10 Financial Education Classes have been imparted.*

### 3. Have the financial and committed support of 5 local institutions on a constant basis (Salem Harbor CDC, Salem State College, Citizens Bank, City of Salem, and St. Joseph Credit Union).

- Establish an umbrella-like and committed relationship with Salem Harbor CDC (main host).

- Develop and establish a partnership with SSC, Citizens Bank, St. JCU, and City of Salem.

- **This goal has been adjusted several times.** Collaboration and support have been obtained from Salem Harbor CDC, but the agreement with St. Joseph Credit Union was not followed up. The status of Salem State College is still pending. Citizens Bank has not offered any type of

support. New support has been obtained from V.O.C.E.S. who has kindly donated the space/location to execute the Financial Education. Also, new banks (Eastern Bank, Banknorth, and Beverly Cooperative Bank) have committed verbally – thus far -- to support our project. However, Eastern Bank Charitable Foundation expressed their intention to fund us, and Beverly Cooperative Bank has held the Individual Development Accounts for the 6 participants.

#### **4. Obtain enough funding for pilot project and subsequent established program.**

- To obtain, at least for the initial phase of the project, full funding for at least 5 participants that could possibly save up to \$100. 00 for 24 consecutive months.
- To target potential funders (foundations, local businesses, public and private sectors, corporations, individuals contributors, and others) as available for the purpose of requesting financial support for the rest of operational expenses of CLIEDS.

➤ **The financial support obtained has been verbally.** PD received grant rejection from LISC, and the application for federal funds was not submitted during the summer. Unfortunately, the federal application for IDAs funds was not submitted during the summer either due to lack of knowledge as well as lack of sufficient time. PD did meet with the Executive Director of Salem Harbor CDC to get some support in this endeavor, but the ED told me that it was going to take too much time plus he was aware that we needed a consultant to guide us through the precision and concision of terms and details. The money for the consultant was not there and there were already time restrictions on us. Therefore, the application for federal funds was not submitted. However, James Gatz, from the Office of Community Services in the U.S. Department of Health and Human Services, gave us some valuable information about re-applying and how to do it. A fundraising/mini-proposal plan has been presented to various banks (Eastern Bank, Banknorth, Beverly Cooperative Bank) and no response has been received yet. Kim Lundgren from Salem Harbor CDC has donated some of her time and ideas and helped us to develop a funding strategy for local businesses and corporations. In addition, she is also getting in touch with some of her banking/financial contacts and so far only one of them has responded saying that she will give it some thought and play with some numbers. Another obstacle that we also found during this fundraising process was that Salem Harbor CDC was also soliciting funds to these same agencies for two major events that do carry more weight within the organization than a new initiative with no precedence as the IDAs. Therefore, funding has been delayed and currently three

applications are pending.

**5. Recruit participants for IDAs and FLW.**

- (O) Recruit 10 participants for IDAs and FLW in conjunction with the office of Transitional Assistance located in Salem (47 Congress Street).

➤ **Goals/Objectives have been met successfully!**

**6. Increase participants' involvement with CLIEDS.**

- Have participants getting involved with CLIEDS at three various levels:
  - (a) to be members of the Board of Directors
  - (b) train at least 3 participants that will be willing to assist in 2-3 basic modules of FLW.
  - (c) train at least 1 participant to become an administrative assistant within CLIEDS.

*Currently, there are two participants that are participating as Board members, and 1 participant is currently being trained to assist in subsequent financial education modules. In addition, another participant is helping PD with administrative operations.*

**7. (a) Increase the number/percentatge of Latinos making the transition from being renters to homeowners.**

- Increase the number of Latino homeowners.

**(b) Increase the number/percentage of the Latino population moving away from being only consumers to developing their own small businesses.**

- Increase the number of Latinos to develop their small businesses.

**(c) Increase the number/percentage of Latinos having access to higher education.**

- Increase the number of Latinos to have more access to institutions of higher education.

➤ *CLIEDS has only imparted module on Homeownership to participants and expect to impart educational and business modules by the end of July 2005.*

**8. Increase the number of active participants and savers within CLIEDS.**

- As funding/monies become available, I will expand the number of participant/savers from 10 during the initial/pilot phase of the project into 12-15 for the second phase of the program.

➤ *By April 2005 my project will have reviewed and collected 3 more applications for the IDAs Program. (Delayed and Pending)*

**9. Research as to why the Latino population in U.S. – being the biggest minority is not benefiting as it should from IDAs programs in the United States.**

- Create a research space within CLIEDS to investigate the correlations, relationships, and variables between the Latino population and IDAs programs throughout various states of United States, particularly within Massachusetts.

➤ *CLIEDS has obtained a Research Assistant (College intern) who has been working on statistical figures as to why Latinos are not benefiting as they should from IDAs programs throughout the United States.*

**E. Project Implementation Chart**

The symbols in the Critical Path Worksheets should be understood as follow: 1) ✂, this means that the task has been postponed, modified, and/or changed; 2) ☒, means that the task was not accomplished in a timely fashion; 3) ✍, means that the task was accomplished successfully, and 4) ☑, means that the task was implemented without any difficulty.

## Critical Path Worksheet

[illegible]

**Critical Path Worksheet**

Task Number and Name	Duration	Earliest Start	Latest Finish	Time Satisfaction	Resources	Completion	Goals Objective	Change
21 Correspondence w/ James Haskell (CDC)	1 Day	05/21/04	05/21/04	⌚	J.C.H.V.	😊	✍️	🔒
22 CDC accepts to be CLIEDS fiscal agent	21 Days	05/02/04	05/23/04	⌚	J.C.H.V.	😊	✍️	🔒
23 Mtgs w/ J. Haskell re: fundraising requests	3 Days	05/25/04	05/27/04	⌚	J.C.H.V.	😊	✍️	🔒
24 Letter to Mass. House Representative (F.B.)	1 Day	05/25/04	05/25/04	⌚	J.C.H.V.	😊	✍️	🔒
25 Federal funding inquiry thru Rachel Banov	3 Days	05/28/04	05/30/04	⌚	J.C.H.V.	😊	✍️	🔒
26 Federal funding inquiry thru James Gatz	3 Days	05/28/04	05/28/04	⌚	J.C.H.V.	😊	✍️	🔒
27 Mtg w/ Office Transt. Assist. re: candidates	1 Day	05/28/04	05/28/04	☒	J.C.H.V.	😞	☒	✂️
28 Mtg w/ Salem State College (Shawn Newton)	1 Day	06/15/04	06/15/04	⌚	S. Newton	😊	✍️	🔒
29 Mtg w/ providers of FLT (brainstorm session)	1 Day	06/17/04	06/17/04	⌚	A. Mendez	😊	✍️	🔒
30 Recruitment of participants for IDAs and FLT	60 Days	06/01/04	07/30/04	☒	J.C.H.V.	😞	☒	✂️
31 Mtg w/ MIDAS (Margaret Miley) @ Lynn	1 Day	07/20/04	07/20/04	⌚	M. Miley	😊	✍️	🔒
32 Mtg w/ J. Haskell re: people criteria selection	1 Day	07/21/04	07/21/04	⌚	J.C.H.V.	😊	✍️	🔒
33 Correspondence with R. Banov re: funding	1 Day	07/22/04	07/22/04	⌚	R. Banov	😊	✍️	🔒
34 New Partnership w/ Beverly Bootstraps	30 Days	07/01/04	07/31/04	⌚	T. Gifford	😊	✍️	🔒
35 DLessio confirmed FDIC Training for CLIEDS	1 Day	08/03/04	08/03/04	⌚	J.C.H.V.	😊	✍️	🔒
36 FDIC Agenda developed by Kip Child	2 Days	08/04/04	08/05/04	⌚	Kip Child	😊	✍️	🔒
37 Update J. Haskell re: FDIC Training for CLIEDS	1 Day	08/10/04	08/10/04	⌚	J.C.H.V.	😊	✍️	🔒
38 FDIC certificate development and format	1 Day	08/18/04	08/18/04	⌚	J.C.H.V.	😊	✍️	🔒

**Critical Path Worksheet**

Task Number and Name	Duration	Earliest Start	Latest Finish	Time Satisfaction	Resources	Completion	Goals Objective	Change
39 Correspondence with FDIC participants	8 Days	08/17/04	08/24/04		J.C.H.V.			
40 FDIC Training Day by Dlessio and K. Child	1 Day	08/25/04	08/25/04		T.D. & K.C.			
41 Processing of all participants' applications	30 Days	08/01/04	08/30/04		J.C.H.V.			
42 Completion of all files and applications	30 Days	08/01/04	08/30/04		J.C.H.V.			
43 Modules for FLT established and confirmed	30 Days	09/01/04	09/31/04		Y.C. & G.M			
44 Publicity of CLIEDS thru Salem Evening News	1 Days	09/16/04	09/16/04		Chas Sisk			
45 2nd Mtg w/ MIDAS (Margaret Miley) @ Boston	1 Day	09/28/04	09/28/04		M. Miley			
46 Verbal Interest (Eastern and Beverly Bank)	14 Days	09/15/04	09/29/04		E.A. & B.H.			
47 Beverly Holding IDA Acc'ts (Verbal Agreemt.)	1 Day	09/30/04	09/30/04		Bill Howard			
48 Beg. of FLT (postponed for - Nov. 15, 2004.)	30 Days	09/01/04	09/30/04		J.C.H.V.			
49 1st IDA saving (postponed - Dec 15th, 2004)	1 Day	09/30/04	09/30/04		J.C.H.V.			
50 Increase participants knowledge of finances	30 Days	09/01/04	09/31/04		J.C.H.V.			
51 Impart @ least 2 modules of FLT	30 Days	09/01/04	09/31/04		J.C.H.V.			
52 Home., education, and business sem. ready	30 Days	09/01/04	09/31/04		J.C.H.V.			
53 Mtg b/ SHCDC & Beverly Bootstraps (partner)	1 Day	10/06/04	10/06/04		K.T. & A.B.			
54 Policies & criteria for participants selection	5 Days	10/07/04	10/11/04		J.C.H.V.			
55 Beg. of screening process and p. selection	20 Days	10/12/04	10/31/04		J.C.H.V.			
56 Development of mini-proposal for banks (\$)	3 Days	10/12/04	10/14/04		J.H. & K.T.			



**Critical Path Worksheet**

Task Number and Name	Duration	Earliest Start	Latest Finish	Time Satisfaction	Resources	Completion	Goals Objective	Change
57 New employment for J.H. working for SHCDC	11 Days	10/01/04	10/11/04		J.C.H.V.			
58 IDAs Publicity and Promotion around Salem	5 Days	10/18/04	10/22/04		J.C.H.V.			
59 Recruitment and Processing of 15 participants	5 Days	10/25/04	10/29/04		J.C.H.V.			
60 Fundraising plan presented to various banks	9 Days	11/01/04	11/09/04		J.C.H.V.			
61 Kick-off Event for IDAs & Financial Education	1 Day	11/10/04	11/10/04		J.C. & Y.C.			
62 1st Financial Education Class imparted	1 Day	11/15/04	11/15/04		Y.C.			
63 Spoke to Eastern Bank Vice President re: (\$)	1 Day	11/16/04	11/16/04		J.C.H.V.			
64 Partnership with Beverly Dissolved	3 Days	11/15/04	11/17/04		Tom Gifford			
65 St. Joseph Credit Union Support Collapsed	8 Days	11/19/04	11/26/04		Y.C.			
66 2nd Financial Education Class imparted	1 Day	11/29/04	11/29/04		G.L.			
67 Beverly Bank approached for \$ and support	1 Day	12/01/04	12/01/04		J.C.H.V.			
68 BankNorth was contacted re: \$ and support	1 Day	12/07/04	12/07/04		J.H. & K.T.			
69 Kim Lundgren to help us with fundraising (\$)	4 Days	12/06/04	12/09/04		K.L.			
70 3rd Financial Education Class imparted	1 Day	12/13/04	12/13/04		J.R.			
71 Participants will make thier 1st deposits (\$)	1 Day	12/17/04	12/17/04		Participants			
72 Linden Foundation approached for \$ 10,000	45 Days	01/25/05	03/10/05	Pending	Kin Lund	Pending	Pending	
73 American Express Foundation for Lit. Edu (\$)	45 Days	02/15/05	03/30/05	Pending	Kin Lund	Pending	Pending	
74 Evaluative Reports and Project Presentation	15 Days	04/01/05	04/15/05		J.C.H.V.			

### Project Implementation Gantt Chart

(**Top Bar** – initiation phase/activities)(**Bottom Bar** – Accomplished Tasks)(**Green/Bottom Bar** – Still Pending...Delayed!)

<b>Phase 1 – Pilot Project Start-Up Procedure</b>	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04	July 04	Aug 04	Sept 04	Oct 04	Nov 04	Dic 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	July 05	Aug 05
<b>1. Finish proposal and framework of CLIEDS</b>																				
<b>2. Obtain support from 5 institutions (coalition)</b>																				
<b>3. Obtain necessary funding for CLIEDS</b>																				
<b>4. Meet with OTA representative to execute selection process</b>																				
<b>5. Recruit participants for IDAs and FLW</b>																				
<b>6. Process all documentation and paperwork</b>																				
<b>7. Have all files completed and ready</b>																				

<b>Phase 2</b> Development and Implementation Phase	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04	July 04	Aug 04	Sept 04	Oct 04	Nov 04	Dic 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	July 05	Aug 05
<b>8. Initiate and continue with Fin. Lit. Wkps.</b>																				→
<b>9. Initiate saving process and deposits.</b>																				→
<b>10. Increase participants knowledge of finances</b>																				→
<b>11. Impart modules on homeownership, business development, and education.</b>																				
<b>Phase 3</b> Evaluative and Research Phase	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04	July 04	Aug 04	Sept 04	Oct 04	Nov 04	Dic 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	July 05	Aug 05
<b>12. Increase participants involvement w/ CLIEDS</b>																				
<b>13. Begin process of choosing investment of saved monies</b>																				
<b>14. Increase number of participants/savers</b>																				
<b>15. Intense and progressive months of evaluation</b>																				
<b>16. Generate an evaluation report to be handed out to coalition, funders, and Board of Directors</b>																				→

17. Start research strategies regarding variables between Latinos and IDAs																				
Phase 4 Sustainability/ Institutionalization Phase	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04	July 04	Aug 04	Sept 04	Oct 04	Nov 04	Dic 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	July 05	Aug 05
18. Transition from a pilot project into an established IDA program																				
19. Secure financial support from CLIEDS as well as from other funders.																				
20. Comply with legal & governmental laws																				
21. Establish CLIEDS as an official/legal program																				

## **V. Monitoring and Evaluation**

Although “CLIEDS Comprehensive Operational Chart” provides under column 5 & 7 performance indicators and their timeline, various tables are provided under this section as to what were the milestones that indicated measurable progress. In addition, the acceptable timeframe was also provided as a benchmark to whether CLIEDS delivered its products and activities in a timely manner or not.

### **A. Management Information System**

The Management Information System that was purchased and used in CLIEDS to gather the monitoring information, measure progress and evaluate program success was MIS IDA, which stands for Management Information System for Individual Development Accounts. MIS IDA was built and developed by a team of sociologists from the Center for Social Development (CSD) at Washington University in St. Louis, Missouri. The software was originally designed with two main purposes in mind: 1) to assist organizations with program administration, and 2) to provide a standardized tool for monitoring IDA programs. As the Center for Social Development itself testifies: “MIS IDA is unique in that it features both program management and evaluation capacity within the same system” (2003).

The practicality of using this program lied in the fact that participants’ monthly savings data was inserted into this system and periodic account statements were then produced showing the match as well as accumulated interests. Based on these figures

and numbers CLIEDS generated administrative and evaluative reports that were then analyzed and provided to our Board of Directors and various funders.

## B. Performance Indicators

There are various indicators that will help the director of the program to perceive and measure in a quantifiable fashion whether the program is being implemented in a successful manner or not. These indicators refer to activities – each one related to a clear and specific objective – that need to be carried out and completed in a timely manner. To know such aforementioned activities and their time requirement, please refer to the various tables below. For more details, please refer to Appendix 3 for a fuller version of these measurable indicators. Thus, success will be measured as outlined in the following tables below:

### Phase I – Pilot Project Start-up Procedure

<b>Measure 1</b>	<b>Timeframe:</b> Date by which formal agreements are signed with host organizations (5 local institutions of Salem) and community partners	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before March 31, 2004
	<b>Below Expectations</b>	April 1 through June 31, 2004
Completed!	<b>Unacceptable</b>	After June 31, 2004
<b>Measure 2</b>	<b>Timeframe:</b> Date by which CLIEDS obtains necessary financial support from local institutions as well as from other potential funders	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before April 31, 2004
	<b>Below Expectations</b>	May 1 through July 31, 2004

Center of Latinos Integrated Economic Development of Salem

Delayed!	<b>Unacceptable</b>	After July 31, 2004
<b>Measure 3</b>	<b>Timeframe:</b> Date by which CLIEDS apply for the AFIA Application (Federal funding for IDAs)	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before March 31, 2004
	<b>Below Expectations</b>	April 1 through July 31, 2004
Delayed!	<b>Unacceptable</b>	After July 31, 2004
<b>Measure 4</b>	<b>Timeframe:</b> Date by which CLIEDS established Board of Directors	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before June 31, 2004
Completed!	<b>Below Expectations</b>	July 1 through August 31, 2004
	<b>Unacceptable</b>	After August 31, 2004
<b>Measure 5</b>	<b>Timeframe:</b> Date by which Program Director meets with Office of Transitional Assistance representative to execute selection Process	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
Completed!	<b>Satisfactory</b>	On or before May 31, 2004
	<b>Below Expectations</b>	June 1 through July 31, 2004
	<b>Unacceptable</b>	After July 31, 2004
<b>Measure 6</b>	<b>Timeframe:</b> Date by which all participants have been recruited for IDAs and Financial Literacy Workshops.	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before July 31, 2004
	<b>Below Expectations</b>	August 1 through August 31, 2004
Completed!	<b>Unacceptable</b>	After August 31, 2004
<b>Measure 7</b>	<b>Timeframe:</b> Date by which all necessary documentation has been processed	

<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before August 31, 2004
	<b>Below Expectations</b>	September 1 through Sept. 31, 2004
Completed!	<b>Unacceptable</b>	After September 31, 2004
<b>Measure 8</b>	<b>Timeframe:</b> Date by which all participants files have been completed and kept in program archives	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before August 31, 2004
	<b>Below Expectations</b>	September 1 through Sept. 31, 2004
Completed!	<b>Unacceptable</b>	After September 31, 2004

**Phase II – Development and Implementation of IDAs and Financial Lit. Workshops**

<b>Measure 9</b>	<b>Timeframe:</b> Date by which Financial Literacy Workshops start	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before September 31, 2004
	<b>Below Expectations</b>	October 1 through October 31, 2004
Completed!	<b>Unacceptable</b>	After October 31, 2004
<b>Measure 10</b>	<b>Timeframe:</b> Date by which first savings and 3:1 ratio matching occur regarding IDAs.	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before September 31, 2004
	<b>Below Expectations</b>	October 1 through October 31, 2004
Occurred in December 2004	<b>Unacceptable</b>	After October 31, 2004
<b>Measure 11</b>	<b>Timeframe:</b> Date by which module on homeownership will be imparted to participants	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>



	<b>Satisfactory</b>	On or before January 31, 2005
Completed!	<b>Below Expectations</b>	February 1 through Feb. 31, 2005
	<b>Unacceptable</b>	After February 31, 2005
<b>Measure 12</b>	<b>Timeframe:</b> Date by which module on small business development will be presented to participants	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before March 31, 2005
Completed!	<b>Below Expectations</b>	April 1 through April 31, 2005
	<b>Unacceptable</b>	After April 31, 2005
<b>Measure 13</b>	<b>Timeframe:</b> Date by which module on career options within higher education will be brought up to participants	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before May 31, 2005
Delayed!	<b>Below Expectations</b>	June 1 through June 31, 2005
	<b>Unacceptable</b>	After June 31, 2005

### Phase III – Evaluative and Research Phase

<b>Measure 14</b>	<b>Timeframe:</b> Date by which participants involvement with CLIEDS is increased and brought to another level	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before January 31, 2005
	<b>Below Expectations</b>	February 1 through March 31, 2005
Completed!	<b>Unacceptable</b>	After March 31, 2005
<b>Measure 15</b>	<b>Timeframe:</b> Date by which participants make a decision regarding the investment of their saved monies.	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before June 31, 2005

Center of Latinos Integrated Economic Development of Salem

Delayed!	<b>Below Expectations</b>	July 1 through August 31, 2005
	<b>Unacceptable</b>	After August 31, 2005
<b>Measure 16</b>	<b>Timeframe:</b> Date by which number of participants have been increased for the following saving cycle (2005-2006)	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before July 31, 2005
	<b>Below Expectations</b>	August 1 through August 31, 2005
Delayed!	<b>Unacceptable</b>	After August 31, 2005
<b>Measure 17</b>	<b>Timeframe:</b> Date by which CLIEDS will conduct its first quarterly evaluation	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
Completed!	<b>Satisfactory</b>	On or before December 31, 2004
	<b>Below Expectations</b>	January 1 through January 31, 2005
	<b>Unacceptable</b>	After January 31, 2005
<b>Measure 18</b>	<b>Timeframe:</b> Date by which first evaluative report is going to be handed out to local coalition, funders, and Board of Directors	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
Completed!	<b>Satisfactory</b>	On or before August 31, 2005
	<b>Below Expectations</b>	September 1 through Sept. 31, 2005
	<b>Unacceptable</b>	After September 31, 2005
<b>Measure 19</b>	<b>Timeframe:</b> Date by which research initiatives are going to be executed regarding variables correlating Latinos and IDAs	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
Completed!	<b>Satisfactory</b>	On or before August 31, 2005
	<b>Below Expectations</b>	September 1 through Oct. 31, 2005
	<b>Unacceptable</b>	After October 31, 2005

**Phase IV – Sustainability and Institutionalization Plan**

<b>Measure 20</b>	<b>Timeframe:</b> Date by which CLIEDS makes transition from being a pilot project into being a well established IDAs program	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before September 31, 2005
Delayed!	<b>Below Expectations</b>	October 1 through Dec. 31, 2005
	<b>Unacceptable</b>	After December 31, 2005
<b>Measure 21</b>	<b>Timeframe:</b> Date by which additional financial support is secured from same and other potential funders as well as coalition	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
	<b>Satisfactory</b>	On or before September 31, 2005
Delayed!	<b>Below Expectations</b>	Oct. 1 through Dec. 31, 2005
	<b>Unacceptable</b>	After December 31, 2005
<b>Measure 22</b>	<b>Timeframe:</b> Fill out a 501 (c) (3) form to be legally and tax-wise recognized as a non profit organization	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
Delayed!	<b>Satisfactory</b>	On or before December 31, 2005
	<b>Below Expectations</b>	January 1 through Feb. 31, 2006
	<b>Unacceptable</b>	After February 31, 2006
<b>Measure 23</b>	<b>Timeframe:</b> Date by which CLIEDS is a legal nonprofit organization with an IDA and Financial Literacy Workshops for the low-income Latino residents of the Point Neighborhood in the city of Salem	
<b>Benchmarks</b>	<b>Performance Categories:</b>	<b>Evaluation Date:</b>
Delayed!	<b>Satisfactory</b>	On or before May 31, 2006
	<b>Below Expectations</b>	June 1 through July 31, 2006
	<b>Unacceptable</b>	After July 31, 2006

### **C. Evaluation and Reporting**

For the area of evaluation and reporting, evaluative surveys were generated and imparted as it is indicated in our Gantt Chart (please refer to Appendix 3) during the third phase in the month of December, 2004. Then subsequent evaluations, surveys, and reports were produced on a quarterly basis. Therefore, this is how the reports were generated:

- **Initial and first Evaluation and Survey Efforts – December 2004.**
- **1<sup>st</sup> professional and official evaluation – by December 2004.**
- **2<sup>nd</sup> professional and official evaluation – by February 2005.**
- **3<sup>rd</sup> professional and official evaluation – by April 2005**

After these three main initial evaluations have been conducted up to April 2005, then subsequent evaluations will occur on a quarterly basis and as illustrated below:

- **1<sup>st</sup> Evaluation Report generated by January 31, 2005.**
- **2<sup>nd</sup> Evaluation Report generated by February 31, 2005.**
- **3<sup>rd</sup> Evaluation Report generated by March 31, 2005.**
- **4<sup>th</sup> Evaluation Report generated by April 15, 2005.**

One of CLIEDS' main objectives is to attract more potential funders' attention and financial support towards this program, therefore CLIEDS will make sure to be diligent and responsive in terms of self-assessment and progress measurement. The information gathered and presented to our Board of Directors and funders will help CLIEDS make

some gradual modifications to adequately serve the needs of the low-income Latino residents of the Point Neighborhood.

Based on the actual implementation plan, goal achievement reviews, and evaluative reports CLIEDS has realized the following effects and impact of the project:

- **Community Mobilization and Empowerment (+)** - The community was the one that benefited from the project the most! Low- and moderate-income participants came directly from the community. Financial educators came directly from the community and offered to impart financial literacy modules pro bono. Additional community residents and professionals were very enthusiastic about the project and are impressed by the effects it has created already in the community. This is a project that belongs to the community. It was a true community partnership and the community did mobilize around the excitement of the program!
- **Recycling of Community Resources (+)** – Salem Harbor CDC had attempted to create an IDA program several years ago, but without any success. The factors contributing to this failure are unknown. However, through CLIEDS this old notion became a reality and active program within Salem Harbor CDC. The PD tapped into undiscovered and hidden community resources to make this project a reality. Thus, community leaders and experts in the field of finances, banks, education, investing, business development, and housing development were identified and brought together to impart the financial literacy modules as an in-kind service. These leaders have always been there and available but

underestimated by many. The project was really a collaborative effort that was supported – cost free – by community local institutions.

- **Change of Attitudes and Behavior towards Savings through the Individual Development Accounts (+)** – Out of the 10 original participants, only 6 have remained in the program and opened a savings account making regular deposits as mandated by the rules and regulations of the program. Participants, being skeptical and confused about the banking system, after technical assistance and financial educational lessons were able to “loosen up” to open their savings accounts. Upon doing it, their 5-time regular monthly deposits – of at least \$45.00 dollars – confirmed that their attitudes about money changed and became materialized in a behavioral pattern.
- **Financial Literacy Modules (+)** – This has been the most efficient aspect of the project. Currently, we have 7 educators from the community working on this project pro bono. Attendance rate is 83%. This number did not match our estimations (90%) due to several snowstorms in the north shore region. In addition, participants meet with CLIEDS program director once a week to review class material, questions, concerns or any other issue related to their planned and future investment coming out of this program. Participants did get educationally empowered through financial education modules and counseling sessions.
- **Institutional Support (+)** – Salem Harbor CDC has adopted CLIEDS as one of its active program and has offered to be its acting fiscal agent. In addition, Eastern Bank and Beverly Cooperative Bank are currently supporting CLIEDS with the IDAs as well as with the Financial Literacy modules. After many years

of attempt, Salem Harbor CDC has an official and active IDA and Financial Literacy Program that have been incorporated into their daily operations.

- **Research Facility (+)** – CLIEDS has managed, through a partnership between Salem Harbor CDC & various local colleges, to hire interns that would dedicate 5-10 hours a week to work on the IDAs and Latinos Research Facility to find out why Latinos do not seem to be benefiting from IDAs as they should. So far CLIEDS has had two interns that have been working on this area. Interns hypothesize that language barrier may be one of the main obstacles for Latinos.
- **Funding (-/+)**– Unfortunately, funding has been the most difficult aspect of our project. Several funding applications have been submitted but rejected. We are still in the process of re-submitting other funding applications (i.e. Linden Foundation, American Express Foundation for Financial Literacy, and The Eastern Bank Charitable Foundation as well as with their Community Development Program). Despite this fact, participants have been strongly faithful to their monthly deposits and participation in the financial literacy modules. As a result of this, matching monies deposits have been delayed.

## **VI. Sustainability Plan**

The sustainability of CLIEDS is a very feasible phenomenon if the supporting design provided throughout this proposal is followed and taken seriously by the various local institutions as well as by its funders and benefactors. If done properly, CLIEDS could – without any difficulty and foreseeable major issues – be sustained institutionally,

financially, and politically. The elements on how this is accomplishable are included below under the sustainability elements and institutional plan sections.

### **A. Field Observation**

In order to evaluate and measure success of CLIEDS implementation of goals and objectives, the Program Director made sure to cover and monitor three main areas: 1) CLIEDS office/operational space, 2) MIS IDA program (IDAs monitoring), and 3) Financial Literacy Workshops Sessions. By performing regular field observation visits the Program Director ensured that the planned implementation of logistics and methodologies were being followed, that community participants were coming to and engaging in FLW and were receiving quality information, that staff and personnel had all necessary materials and resources available, and that the record keeping system was being followed and essential documentation was being taken. Based on these observations and feedback, the Project Director in conjunction with the rest of the staff made appropriate modifications to better serve the participants as well as to meet CLIEDS goals and objectives in a more efficient fashion.

### **B. Sustainability Elements**

There are various sustainability elements that if are not planned and thought out strategically at different levels will undermine the viability of the project in the future. These elements will be mentioned under three main categories: financially, institutionally, and politically.

At a **financial level** these are the elements that were put together and dealt with:



- Potential donors and benefactors were targeted on a continuous basis to obtain and secure funding
- On-going fundraising campaigns targeted potential local businesses as well as interested foundations and governmental agencies
- All services were needed and donated in-kind
- Self-sustaining activities (i.e. fundraising, raffles, dances, donations)
- Technical assistance provided by financial institutions

At an **institutional/programmatic level** these are the elements that were needed be dealt with and will secure institutional sustainability:

- Development of institutional vision, mission, and values
- SHCDC incorporation of CLIEDS
- Evaluation and research systems
- Infrastructure of CLIEDS as well as legal incorporation

Last but not least, the **political level** also presents its sustainability elements that needed to be incorporated and secured:

- State support via Barry Frederick, and local support of city officials
- Community support which has been noticeable and obtained
- Networking and collaborative relationships with other nonprofits which is evidential in our project phases
- Financial institutions and community agencies support CLIEDS

### **C. Institutional Plan and Project Transitional Phases**

There are various strategies that will be developed and implemented to help CLIEDS make the transition from a pilot project into a well-established legal program under the umbrella of a nonprofit organization. First of all, at a financial level these are the remedies that will be applied to secure CLIEDS financial sustainability:

- In order to secure financial sustainability C.L.I.E.D.S. will obtain from C.L.I.E.D.S. \$ 12, 500. 00 on a yearly basis exclusively as 3:1 matching monies for savers/participants. (Delayed and not acquired as yet!)
- Besides counting with C.L.I.E.D.S. financial support, C.L.I.E.D.S.<sup>1</sup> has applied for the AFIA fundings as well as for grants from other foundations, corporations, local banks, individual contributors, private/public agencies, and governmental funds (CDBG) as available.
- C.L.I.E.D.S. has also solicited in-kind services – at least in its initial phase of formation and development – from other nonprofit organizations in the area of Salem.
- C.L.I.E.D.S. also initiated self-sustaining activities that will be developed under the guidance of our fundraising consultant.
- C.L.I.E.D.S. has also the committed support of an IT student and former co-worker of the Program Director that will help with technical issues.
- And last but not least, C.L.I.E.D.S. has obtained an office space in a recent community center that has been granted to Salem Harbor CDC and space for education modules with V.O.C.E.S and Beverly Coop. Bank.

Regarding the **institutional level of sustainability**, C.L.I.E.D.S. has done the following:

- C.L.I.E.D.S. developed institutional vision, mission, values and by-laws with the support and under the guidance of James Haskell, Executive Director of Salem Harbor CDC.
- Salem Harbor CDC offered itself to serve as fiscal agent of C.L.I.E.D.S.<sup>1</sup> and to help with tax- and legal-related matters such as filling out a 501 (c) (3), thus paving the way to establish C.L.I.E.D.S.<sup>1</sup>' infrastructure.
- C.L.I.E.D.S.<sup>1</sup> did obtain a part-time research assistance whose main job has been to work in IDA- and Latinos-related variables as well as the preparation of evaluation reports and surveys.

And the **political sustainability elements** has been covered in the following manner:

- First of all, C.L.I.E.D.S.<sup>1</sup> is in the process of applying to the AFIA federal fundings as soon as the application is out in the market.
- CDBG money has been discussed with Planning and Development offices via Jane Guy.
- C.L.I.E.D.S.<sup>1</sup> has one of the City of Salem officials as one of its members in the Board of Directors as well as a key stakeholder in C.L.I.E.D.S.<sup>2</sup>.
- And C.L.I.E.D.S.<sup>1</sup> has already marketed itself to some key stakeholders in the community of Salem (please refer to Stakeholder Tables) that have received the project with great enthusiasm and have already committed by word of mouth to support the project.

Thus these are the main strategies that will be executed to secure C.L.I.E.D.S.<sup>1</sup> sustainability at all levels and makes its transitions from being a pilot project into a nonprofit program a successful one.

## **VI. Conclusions and Recommendations**

### **A. Results**

The results that CLIEDS<sup>1</sup> have obtained have been shocking and with valuable lessons about certain factors. It was surprising to find out that local organizations were going to be so interested in the IDAs and financial literacy modules. Throughout the life cycle of the project the program director has been receiving phone calls from organizations such as V.O.C.E.S. as well as from professionals in the field offering their support and spaces for anything needed. In addition, participants from the very beginning, through our focus groups, showed so much interest and surprise at the concept behind IDAs and financial education that there was a chain reaction throughout the community.

The greatest result occurred in the community dimension of the project. Absolutely everything came from the community and is going to the community. The participants were there as well as the financial literacy modules facilitators. Local banks and organizations offered their technical assistance as an in-kind service to our project.

The results have definitely taught me some very valuable lessons about time, funding solicitation, and the endless number of details that need to be orchestrated

together in order to make any project happen. CLIEDS<sup>1</sup> never thought that the fundraising activities were going to be that bureaucratic and endless, meaning that there were at least three different bridges (persons) that CLIEDS<sup>1</sup> needed to go through in order to get to the one close to the funds. On the other hand, it did help CLIEDS<sup>1</sup> to put together a summarized and appealing funding proposal for potential funders and interested donors.

The project has achieved most of its expected and set objectives. According to the 23 monitoring indicators, only 7 of them fall into the “delayed/still in progress” category. With this figure in mind, it means that 16 out of the 23 measurable indicators have been met by April 2005: this indicates that 70% of our proposed and planned activities have been achieved successfully. Only those 7 unmet or unacceptable objectives are still pending and in progress and some of their timeframe has been changed and pushed for a later date (please refer to monitoring indicators section).

## **B. Recommendations**

Several recommendations for CED practitioners in the IDA field:

- **Conduct a pre-screening procedure and get to know your participants on an on-going basis**
  - Getting to know your participants and their financial condition is a must for any IDA practitioner. Follow up with a planned course of action, and develop a comprehensive plan for the betterment of their financial situation, so by the

end of the program their investment activities would not be impeded by any unexpected obstacle.

- **Adjust your goals and objectives to your participants' current situations and not vice versa.**

- Set your goals and objectives high but realistically. Try to bring your participants to the realm of the set goals, but if obstacles block your way bring the goals to your participants. If too much is expected from your participants who are just getting to move away from poverty, then the results may never become what you expected in the first place.

- **Explore your community for undiscovered resources, in-kind services, and pro bono work.**

- Start your IDA project from the inside out approach. Start local! Tap into unused and undiscovered community resources available in your community. You would be surprised to find out that there is more in your community than what you expected.

- **Collaborations and partnerships are essential to your success.**

- Collaboration, collaboration, and collaboration! This is the motto for IDAs! If there is a statewide center of control and management for IDAs as in New Hampshire (being attempted in Massachusetts through MIDAS!) get in touch with them and make things easier and faster for you. This will allow you to focus on other implementing aspects of the program such as measuring outcomes and evaluating your impact and effectiveness.

- **IDAs are meant to treat the symptoms of poverty, not its root cause: IDAs are preventive tools.**

- Combine your IDAs initiative with other community economic development tools such as microenterprise development. The Fannie Mae Foundation have concluded various researches through which they are seeing the benefits of linking IDAs to housing development and/or microenterprise initiatives.

- **Always start with securing your funds first.**

- If your project relies heavily on being funded to be implemented, then secure your funding first and foremost. This seems to be the nature of an IDA project; without the matching funds the project does not materialize.

Several recommendations for CED students enrolled in the program at SNHU:

- **Find project that is feasible and can be implemented and evaluated within the time confinements of the 2-year sequential program.**

- The Masters in CED is a two-year sequential program, meaning that each semester is dependant upon the successful completion of each previous semester. If this chain is not follow delays may occur in your planned trajectory of study and your graduation deadline could possibly be affected.

- **If your organization is about to start a new project within your area and you are intrinsically connected to it, then this project may be a great one for the CED Masters' Program.**

- Get your hands on a feasible and viable CED project. Consult with other CED students before you and ask for their guidance in developing a “doable” CED project. In addition, develop a friendly and working relationship with your professors, advisors, and TAs. They are looking forward for your success and development as a CED practitioner.

- **If your project relies heavily on being funded to be implemented, then secure your funding first and foremost.**

- It is understandable that the market is not controlled by any of us, however, you should secure your funds if your project depends exclusively on money to be developed and implemented as an IDA project. Once the matching funds have been obtained, the rest of the assembling process become more bearable and the other additional resources could be obtained as in-kind donations or pro bono work.