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Savings pushed by IDAs

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College used to seem impossibly out of reach for some in Madison County.

Sacred Heart Family Center offered an IDA (Individual Development Account) that Lucy Johnson, a working mother, could use to save money for her daughter's education. Within two years and with the 3-to-1 match offered by the Camden center, Johnson saved enough money to enroll her daughter in community college, buy her books, a computer and other supplies.

"The IDA is a blessing to me. Through it you learn to sacrifice and save for the future," said Johnson, who was one of three families to use the center's program and received \$3,000 in matching funds to the \$1,000 she saved.

The IDA program is one of several opportunities the center at Sacred Heart Catholic Church offers to help struggling families become more self-sufficient. One of nine programs highlighted in a report released this month by the Insight Center for Community Economic Development, Sacred Heart is working to help those still living paycheck to paycheck, said Jenny Chung of the national research center.

"These groups are using the self-sufficiency standard to improve lives," Chung said.

The Self Sufficiency Standard released last fall by the Mississippi Economic Policy Center, one of the partners in the latest report, says that 19.3 percent of households in Madison County do not have enough income to meet their basic needs of housing, food, child care, health care, transportation and taxes. The amount of money needed to be self-sufficient varies by family makeup, which means in Madison County that can be \$20,884 in annual wages for a single adult to \$38,889 for two adults with one infant.

Sister Donna Gunn, advocacy director for Sacred Heart, said the IDA program is intended to help residents in the community reach a better life through self sufficiency.

"At Sacred Heart, we believe one of the best ways out of poverty is through education," she said. "The goal for families at Sacred Heart is to move toward self sufficiency."

Just as the IDA program encouraged Johnson to save so she could send her daughter to Holmes Community College, it will help a young man in the community attain his master's degree in education, Gunn said. "He needs help and we are working with him."

Three families have been helped through the IDA program, which Sacred Heart matches with grant funds it solicits across the country. "We can do three more," Gunn said. "The way we are doing it is by getting private match money. We look for the matching money first."

The upcoming group of IDA participants will be matched at a 2-to-1 rate, she said.

As part of the IDA program, savers have to attend eight hours of financial education on how to manage their money, which goes a long way to building long-lasting economic security, Gunn said.

The self sufficiency index is "a wonderful way to see what people need," she said. "It's extremely helpful to have people know what it is to be self sufficient."

Sacred Heart also uses the sufficiency standard to advocate for ways to help working parents so that all of their earnings do not just go to child care.

Diane Eldridge, director of Sacred Heart Family Center, said a variety of programs are offered at low cost to assist families. A summer enrichment program now in effect offers academic help for children ages 6-14 in the mornings and extra-curricular activities in the afternoons. The center operates an in-school savings program that takes deposits from students to get them started saving, she said.

The center at 1493 Hwy. 17 also houses a branch of Hope Community Credit Union, a senior meals program, a food pantry, a sports program and an office of the state Department of Human Services.

"We probably have 100 to 150 people in and out of here each week," Eldridge said.

The latest report, entitled "Building Economic Stability for Mississippi Families," sits in contrast to the Federal Poverty Thresholds and Guidelines, used to determine eligibility for many programs. The federal guideline says that the family of three needing \$38,889 in Madison County to be self sufficient needs only \$18,310 to live. By the federal threshold, 7.5 percent, or 1,790 households in Madison County, fall within its guidelines, compared to the 19.3 percent, or 4,602 households failing to achieve self sufficiency.
