

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
DEPARTMENT OF COMMUNITY INITIATIVES**

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant to the City Manager; Finance Department; City Attorney's Office; Councilmember Carroll W. Schubert, District 9; File

SUBJECT: AUTHORIZING REALLOCATION OF COUNCIL DISTRICT 9 ONE-TIME PROJECTS FUND

DATE: August 7, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes reallocation and expenditure of \$25,000 from the FY 1999 Council District 9 One-Time Projects Fund to the Department of Community Initiatives Families SAVE Individual Development Account (IDA) program for use as match funding for IDAs for college scholarships, and adopting a revised program budget.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

Councilmember Schubert expressed his commitment to reallocate \$25,000 from the FY 1999 Council District 9 One-Time Project Funds to the Department of Community Initiatives' Families SAVE IDA program. This funding will be used as match funding for student IDAs for college scholarships for eligible students residing in Council District 9.

For the past two years, the Department of Community Initiatives has operated the Families SAVE IDA program through an Assets for Independence Act (AFIA) grant from the U.S. Department of Health and Human Services (HHS). This grant matches participants' savings through IDAs for the purpose of buying a home or attaining higher education. Financial partners of the Families SAVE Program include: Citigroup, Wells Fargo, Security Services Federal Credit Union and Frost Bank.

The program assists students who live at 200% of the federal poverty level or below to receive and benefit from IDAs and financial literacy training as a means of reducing their level of

student loan indebtedness. District 9 students participating in this program will be asked to save between \$100 and \$500 within the next year. Once the participants have reached their predetermined goal, the amount saved will be matched at a four to one ratio. Half of the match will be provided through AFIA funds and the other half will be provided through this reallocation of One-Time Projects Funds. Together, this \$50,000 will provide eligible high school students the opportunity to save for their college education and receive 12 hours of financial literacy training including six hours that will specifically pertain to financing higher education. It is estimated this award will match the savings of at least 25 students based on an average of \$500 saved per participant.

POLICY ANALYSIS

FY 1999 Budget Ordinance No. 88485, passed and approved on September 17, 1998 allocated FY 1999 Council District 9 One-Time Projects Fund. Councilmember Schubert has requested a remaining balance of \$25,000 be reallocated to the Department of Community Initiatives, Families SAVE IDA program. This action is a continuation of existing City policy to provide human development opportunities by enabling high school students to gain financial literacy skills and the ability to co-finance their college education through IDAs. It also supports human development by assisting San Antonio residents in raising their education and skill levels as a means of promoting self-sufficiency.

Utilizing IDAs to finance higher education contributes to family economic success by increasing the financial literacy of youth, thereby impacting future families and generations. By working with multiple partners and funding sources and helping participants achieve the goals of saving and increasing financial literacy, IDAs transform the system by which students finance higher education and decreases reliance on student loans.

Accountability Measures	
Number of Participants	25
Participants accomplishing savings goal within the specified timeframe	80%
Participants learning financial literacy and savings techniques	100%
Participants enrolling in higher education	100%

FISCAL IMPACT

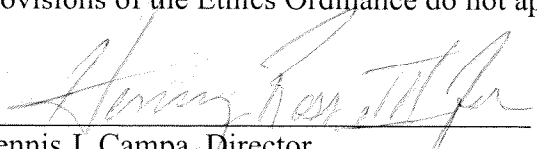
This ordinance authorizes the reallocation and expenditure of One-Time Projects Fund and has no additional General Fund impact.

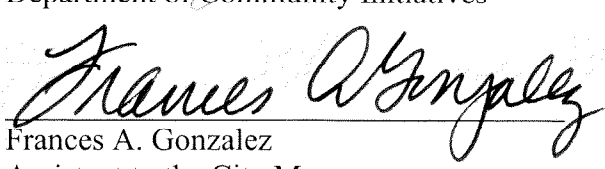
COORDINATION

The Department of Community Initiatives has coordinated activities with Council District 9, City Attorney's Office, and the Finance Department.


SUPPLEMENTARY COMMENTS

Provisions of the Ethics Ordinance do not apply.


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant to the City Manager

Approved:


Terry M. Brechtel
City Manager

**Families SAVE Program
Project 26-022095**

Index No.**Revenues:**

076620	HHS Grant #90E10135/01	00-004	\$ 900,000
076638	Citicorp Contribution	00-008	\$ 50,000
076646	Annie E. Casey Foundation	00-008	\$ 18,500
115923	TRF from 26-012218	00-009	\$ 45,000
115964	TRF from 26-012241	00-009	\$ 62,850
116103	TRF from 26-012231	00-009	\$ 6,500
116111	TRF from G.F. IC 924811	00-009	\$ 15,000
	TRF from G.F. IC 678672	00-009	\$ 25,000
			<u>\$ 1,122,850</u>

TOTAL REVENUES\$ 1,122,850**Activity 38-12-03****Expenditures:****Object Code**

524462	Administration Fees	02-160	\$ 135,000
533398	Direct Welfare - IDA Account	04-276	\$ 972,850
	Direct Welfare - IDA Account	04-276	\$ 15,000
			<u>\$ 1,122,850</u>

Total Expenditures

\$ 1,122,850**FUND ONLY INDEX NO. 001568**