

North Central Workforce Development Area

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LOCAL DIRECTIVE

Directive #: 24-182

Date: October 1, 2024

TO: SkillSource Staff and Service Providers

FROM: Lisa Romine, CEO

SUBJECT: Community Reinvestment Matched Savings Investment Accounts

PURPOSE:

The purpose of this directive is to outline the structure and implementation of the Community Reinvestment Matched Investment Savings Accounts program, ensuring clear guidelines for participant eligibility, contribution matching, financial education requirements, and withdrawal conditions. This directive highlights Washington State Policy 7010 ([State Program Policy \(wa.gov\)](http://www.wa.gov)) and additional local guidance. Matched Investment Savings Accounts (MISAs) are part of the Community Reinvestment Plan (CRP) funded by Community Reinvestment Funds (CRF) through an interagency agreement between Washington State Department of Commerce (Commerce) and Employment Security Department (ESD), aim to support participants' future asset-building or investment goals. This policy aims to support goals of economically disadvantaged individuals and families in Washington State, with a specific focus on Black, Tribal, and Latine communities.

For the purposes of this program, a MISA is defined as a custodial account, managed by SkillSource staff and service providers, to provide a 2:1 match for participants' savings, with a maximum of \$20,000 in matched funds to enhance financial self-sufficiency. Participants can make withdrawals for approved purposes once they meet financial coaching requirements and adhere to their Savings Plan Agreement. Emergency withdrawals are permitted under specific circumstances, only after other support options have been explored.

Matched Investment Savings Accounts Program Overview

Eligibility: For a participant to be eligible for the MISA Program, applicants must meet the following requirements:

- Be enrolled or co-enrolled in at least one of the following programs:
 - Federal EcSA, per ESD State Policy 5625.
 - State EcSA, per ESD State Policy 7000; OR
 - Any WIOA Title I-B formula program.
- Be 18 years of age or older, or an emancipated youth.
- At the point at which a self-sufficiency standard is/was established with the participant, the participant must have or have had income below the Self-Sufficiency Standard for their individual household composition as defined by the UW Self-Sufficiency Calculator. Self-Sufficiency Calculator must be completed for all MISA participants, and results will be saved in the Calculator database and the participant file.

- Complete a Savings Plan Agreement to establish financial goals as outlined in Savings Plan Agreement section below.
- Sign a New Account Authorization Letter (Attachment A) authorizing SkillSource/subrecipient to open a custodial account with Umpqua Bank.
- Complete all forms and follow all processes mandated by the bank for account opening as part of their enrollment in the program.

Documentation: Staff will save copies of the UW Self Sufficiency Standard, Savings Plan Agreement, New Account Authorization Letter in the participant file.

Savings Plan Agreement: Each participant must create a Savings Plan Agreement (Attachment B) to guide their investment strategy in cooperation with SkillSource/subrecipient case managers. This plan will include the following elements:

- Anticipated participant contribution, frequency of contributions, and planned source of contributed funds. 2:1 match will be limited to \$10,000 of participant contributions. Contributions may be made from earned income and other income, which may include incentives, child support payments, supplemental security income, and disability benefits.
- Participant affirms their understanding that the 2:1 matching funds are applied only up to the first \$10,000 of their savings, which means the program will contribute a maximum of \$20,000, capping the total combined savings at \$30,000. Any participant contributions exceeding \$10,000 will not receive additional matching funds.
- Participant financial goals, to include the total savings goals (contribution plus match), timeframe for contributions and savings, specific asset/investment intent, and any key milestones associated with the savings plan.
- Participant affirms their understanding that they may only withdraw their savings from the MISA after achieving their Savings Plan Agreement goals and all required financial education & coaching is completed;
- Withdrawal or transfer of funds may result in tax or social service eligibility changes which they must report;
- Explanation of how the Savings Plan Agreement will be reviewed and updated as needed, based on mutual agreement between the participant and case manager. All revised agreements must be attached to the participant file.
- If the CRF program is not funded beyond June 30, 2025, the MISA account will be converted to a non-custodial account and the participant may withdraw funds at that time.

Fund Management & Guidelines

- **Matching Account:** SkillSource will maintain a single account containing CRF funds to be used as matched funds when a participant makes a deposit.
- **Custodial Accounts:** Participants will open individual custodial accounts to serve as their MISA, with SkillSource as the account's custodian.
- **Deposits:** Participants can deposit into their custodial accounts, and SkillSource can also make direct deposits, with incentive payment funds the participant has earned, on their behalf.
- **Matched Fund Transfer:** Once the bank receives approval from SkillSource, funds will be transferred from SkillSource's Matching Account to the participant's personal, custodial account. The transfer of matching funds must be completed prior to the participant receiving authorization to make withdrawals.
- **Withdrawal Approval:** Participants cannot withdraw any funds from their Custodial Account without prior approval from SkillSource

Personal Finance Education and Coaching Requirements:

Personal Finance Education and Coaching that meets the standard outlined below must be completed by the participant before the first withdrawal of matched funds, excluding approved emergency uses. SkillSource will partner with organizations to offer personal finance education containing the following elements:

1. Introduction to Banking and Budgeting – including:
 - a. An overview of the banking system and budgeting techniques
 - b. Short, intermediate, and long-term financial goal setting
2. Income and Tax Systems
 - a. Current and future income potential
 - b. Financial responsibilities, tax systems
3. Credit Management
 - a. Establishing and maintaining strong credit
 - b. Finding and monitoring credit reports and scores
 - c. Understanding loan types and implications
4. Individualized Coaching: Applying Tools to your Life
 - a. Use SMART goals to identify and create a plan to achieve your personal dreams
 - b. Developing debt reduction and savings plans.
 - c. Utilizing a bill prioritization framework when cash is short

Participants must complete the core topics and complete any additional financial education and coaching as defined in their Savings Plan Agreement before they can make a non-emergency withdrawal of funds for their assets or investment goal. Case managers must document completion of the required Personal Finance Education and Coaching standard training elements by each participant. Methods of documentation may include case notes or transcripts from learning management software.

Banking Partner Guidelines

Participant Withdrawals: Participants can make a withdrawal for the purchase of one of the qualifying assets or investments identified below, provided the items are for their own use. This is allowed once they have completed the required financial education and coaching and met the goals outlined in their Savings Plan Agreement. Qualifying assets/investments are limited to:

- Postsecondary education and training
- Home ownership or rental move-in expenses, including first and last month's rent plus deposit.
- Starting or scaling a business including start-up cost, equipment, etc.
- Computer purchase
- Automobile purchase
- Home additions and expansions
- Assistive technologies
- Broadband access in rural housing and connectivity costs

Emergency Withdrawals: SkillSource Managing Director must review and approve emergency withdrawal requests by participants. Emergency withdrawals are permissible only after all other support options, including federal and state EcSA and WIOA resources, have been fully explored. Participants can request emergency withdrawals for the following reasons.

- Necessary medical expenses
- To avoid eviction or foreclosure of the participant from the participant's residence
- Essential expenses to maintain or sustain employability after a job loss, such as phone and living expenses.
- Expenses related to transportation for employment, including car payments if the vehicle is at risk of repossession, maintenance costs such as repairs, new tires, oil changes, and other critical vehicle expenses necessary for commuting to work or programmatic meetings. Also covers bus passes, gas, and car insurance when other transportation aid options are unavailable.

- Childcare expenses critical for attending work or program-related meetings, provided state childcare assistance has been applied for and no alternative payment options are available.
- Unexpected household repairs, urgent household moves, or significant life changes that impact the participant's ability to participate in the program.
- Unexpected burial expenses and/or unanticipated travel expenses for an out-of-town funeral.

Withdrawal Guidelines

Withdrawal requests from participants (including for emergency withdrawals) will include the name of the institution or vendor where the asset or investment will be purchased, planned purchase date, and the exact amount to be withdrawn. SkillSource will verify that the institution or vendor is a known and legitimate business. Payments will be made directly to the institution or vendor either by check or via electronic transfer. Documentation of the transfer, including date, recipient and amount will be maintained in the participant case file.

In cases where matching funds are sent directly to the participant, transaction documentation (check copy, electronic transfer record, or deposit receipts) will be included in participant case files.

If standard verification steps are impractical (i.e. if dealing with newly established small businesses or individuals), a documented reason for the exception must be approved by Managing Director to include verification and all associated documentation of the transaction. The approval and supporting documentation must be included in the participant case file.

Participants are permitted to make eligible purchases for reimbursement only after fulfilling all specified financial education and coaching requirements. If a participant requests reimbursement for a qualified purchase they have already made, ensure that documentation of the purchase is provided.

MISA Procedure and Data Entry Guidance

All MISA recipients must be enrolled in the Community Reinvestment Fund program enrollment at the time in which they sign the participant authorization form to open a MISA.

- **MISA Savings Plan Agreement**
 - Navigate to the Services Module: Go to the section in ETO where you manage services.
 - Add New Service: Create a new state-funded service called "Matched Individual Savings Account Plan."
 - Link with CRF Program: Ensure this service is linked to the Community Reinvestment Fund program of enrollment.
 - The "Matched Individual Savings Account Plan" service must be entered at the time that the participant has completed a Savings Plan Agreement and prior to any contribution to their MISA.
 - The completed Savings Plan Agreement must be uploaded to the "Matched Individual Savings Account" touchpoint.
- **Financial Education and Training Service**
 - Navigate to the Services Module: Go to the section in ETO where you manage services.
 - Add New Service: Create a new service called "State-Funded Financial Literacy."
 - Link with CRF Program: Ensure this service is linked to the Community Reinvestment Fund (CRF) program of enrollment.
 - The "State-Funded Financial Literacy" service must be entered at the time that the participant has completed the required 10 hours of Personal Finance Education and Coaching.

- **MISA Payments**

- Navigate to the Services Module: Go to the section in ETO where you manage services.
- Add New Service: Create a new state-funded service called "Matched Individual Savings Account Payment."
- Link with CRF Program: Ensure this service is linked to the Community Reinvestment Fund program of enrollment.
- A "Matched Individual Savings Account Payment" service must be entered at every point at which a participant's contribution is matched, with the amounts of the participant contribution and program match entered in the touchpoint.
- A "Matched Individual Savings Account Payment" service must also be entered at any point that a participant makes a withdrawal from their MISA. Enter the withdrawal amount as a negative amount (ex. -\$5000) and enter \$0 for the program match. Please specify the reason for withdrawal in the case note.

Attachments:

A – New Account Authorization Letter

B – Savings Plan Agreement Example

C – State EcSA & CRF Monthly Performance Report & Academic Incentive Payment

ATTACHMENT A – NEW ACCOUNT AUTHORIZATION LETTER

[Download the fillable form here](#)



Matched Investment Savings Account (MISA)

New Account Authorization

Participant Name: _____

Participant Address: _____

Participant Phone Number: _____

SkillSource Authorized Representative: _____

SkillSource Representative Address: _____

SkillSource Representative Phone Number: _____

The individual listed above is approved and eligible to participate in the Matched Investment Savings Account (MISA) program sponsored by SkillSource. In addition to providing the MISA New Account Authorization form at account opening, the participant will provide Umpqua Bank with valid identification required to open an account.

Please expect an email from Umpqua Bank and a follow up via preferred method of communication notifying you your account has been successfully opened. It is important to make your first deposit within 30 days of Umpqua's notification of account opening.

The participant opening the account must sign this eligibility form authorizing Umpqua Bank to release information on his/her MISA account to their SkillSource Authorized Representative. The authorized representative will use the information Umpqua Bank provides to monitor the participant's continued eligibility for MISA savings participation and matched funds in order to assist the participant in reaching their savings goals.

The participant recognizes that no funds can be withdrawn from the account without the completed MISA Withdrawal Authorization form signed by an authorized SkillSource representative. The participant must provide the completed withdrawal form to Umpqua Bank.

This Authorization is valid until:

Signature of Account Owner (Participant)

Date

Signature of Authorized Representative

Date

Approved by:

ATTACHMENT B - SAVINGS PLAN AGREEMENT[Download the fillable form here](#)

Savings Plan Agreement						
Name:				CMS#:		
Start Date:				Planned End Date:		
Planned months of MISA participation				(must end no later than June 2025)		
Planned months of Employment retention				(maximum 3 months)		
Other Contribution (Incentive, etc)						
Tax Withholding for Contribution				\$ -		
# of Months in incentive program (training + retention)				0 (must end no later than June 2025)		
Total Monthly Planned Participant Contribution				\$ -		
SkillSource Match (2:1)				\$ -		
Total Monthly Planned MISA contribution				\$ -		
Month	Activity	Total Monthly Participant Contribution After Taxes	SkillSource Match (2:1)	Monthly Total	Cumulative Planned Contributions & Match (after taxes)	
1		0.00	0.00	0.00	0.00	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#N/A		#N/A	#N/A	#N/A	#N/A	
#REF!		#REF!	#N/A	#REF!	#REF!	
#REF!		#REF!	#N/A	#REF!	#REF!	
#REF!		#REF!	#N/A	#REF!	#REF!	
TOTAL		0.00	0.00		0.00	
		*Contribution match limited to \$10,000	**Maximum match amount of \$20,000			

Participant Financial Goal(s) and Specific Asset(s) and/or Investment(s) Planned for savings:

<input type="checkbox"/> Postsecondary education expenses, including first & last month's rent plus deposit	<input type="checkbox"/> Computer Purchase
<input type="checkbox"/> Starting or scaling a business including star	<input type="checkbox"/> Automobile Purchase
<input type="checkbox"/> Broadband access in rural housing & connectivity costs	<input type="checkbox"/> Assistive technologies
	<input type="checkbox"/> Home additions & expansions

I certify that I have actively participated in the development of my Savings Plan Agreement and understand the following:

- ☐ Savings from the MISA cannot be withdrawn until after June 2025 or savings plan goals are achieved
- ☐ Withdrawal or transfer of these funds may have tax or social service eligibility reporting responsibilities
- ☐ Withdrawal for purchasing assets or investments are contingent upon completing all required financial education modules
- ☐ If participant needs to update contributions and/or other agreement details, contact your career counselor
- ☐ I authorize SkillSource to open a custodial account on my behalf with Umpqua Bank

Participant Signature: _____

Career Counselor Signature: _____

ATTACHMENT C – State EcSA & CRF Monthly Performance Report & Academic Incentive Payment[Download the fillable form here](#)

Participant: _____ CMS # _____

Participant Address _____ City _____ Zip Code _____

ACTIVITY: <input type="checkbox"/> Voc Ed/ITA <input type="checkbox"/> OJT <input type="checkbox"/> Workforce Prep <input type="checkbox"/> Academic Break <input type="checkbox"/> Employment Retention		
PARTICIPATION: State-Funded EcSA Enrollment Date: _____ WIOA Enrollment Date (if applicable): _____		
MONTHLY PROGRESS MEETING Met with counselor to discuss academic/training progress	Satisfactorily met? Yes _____ No _____	
MEETING SATISFACTORY PROGRESS As detailed in customized training plan and training provider policy	Satisfactorily met? Yes _____ No _____	
ACADEMIC BREAK ACTIVITIES Participated in special activities during academic breaks (if applicable)	Satisfactorily met? Yes _____ No _____ NA ____	
ADDITIONAL MONTHLY ACTIVITIES Participated in other activities outlined in training plan (if applicable)	Satisfactorily met? Yes _____ No _____ NA ____	
EMPLOYMENT RETENTION Monthly incentive for employment retention for up to 90 days following entered employment.	Satisfactorily met? Yes _____ No _____ NA ____	
INCENTIVE EARNED: <input type="checkbox"/> Satisfactory monthly progress toward career plan for the month of _____.	TOTAL INCENTIVE EARNED: \$ _____	TOTAL EARNED AFTER TAXES: \$ _____
Savings Account Contribution		
Fund Source ____ CRF ____ State EcSA Under 200% ____ State EcSA Above 200%	Total Contribution:	After Taxes:
Cash Incentive		
Fund Source ____ CRF ____ State EcSA Under 200% ____ State EcSA Above 200%	Total Incentive:	After Taxes:

Participant _____ Date _____ Counselor: _____

Manager _____