

## **GCCAC Awarded Matched Savings Grant**

GCCAC was recently awarded an \$81,000 Assets for Independence grant by the US Department of Health and Human Services' (HHS) Administration for Children and Families. The grant funds, which are leveraged with local funds, provide matched savings for savings accounts opened by low-income individuals or families. "These savings accounts are specifically designated for the purpose of purchasing assets that will increase in value over time," a spokesperson said. "The three purposes currently permitted for the matched savings program are the purchase of a home, pursuing higher education, and starting up a small business."

The \$81,000 award will be combined with contributions received from First United Bank and Trust and Susquehanna Bank. Applicants for matched savings accounts, or Individual Development Accounts (IDA's), must meet the total family income guidelines set forth by HHS, and must be saving for an eligible purpose. Savings are matched on a two-to-one basis, up to \$1,000 saved by the participant. So, the maximum match would be \$2,000, for a total of \$3,000 saved to put towards the purchase of an appreciable asset. Participants in the program must meet with a financial counselor prior to opening the account so they can develop a budget which will allow them to maximize the amount of savings they can accrue.

Assisting low-income residents in building assets through matched savings accounts and providing the financial coaching which accompanies them is consistent with GCCAC's goal of promoting self-sufficiency and independence. Matched savings accounts provide incentives and encouragement to savers, with the ultimate goal of fostering a life-long habit of saving money. Asset building is a proven method of helping families and individuals break the cycle of poverty, thereby allowing them to become more self-sufficient.

Anyone interested in learning more about the program should call Deb Swiger at 301-334-9431, ext. 150.