

Virginia Individual Development Accounts Program

Program Design

Revised January 2012



This program receives funding from the Virginia Department of Social Services, Virginia Housing Development Authority, and U.S. Department of Health and Human Services – Office of Community Services’ Assets for Independence Grant.

Contents

Purpose of this Document.....	2
Program Overview	2
Roles and Responsibilities	4
The Intermediary	4
DHCD.....	8
The Saver.....	10
Asset Goal: Homeownership	13
Eligible Uses of Funds	13
Training Requirements	14
Asset Goal: Postsecondary Education	15
Eligible Uses of Funds	15
Training Requirements	15
Asset Goal: Business Development.....	17
Financial Management Training.....	17
Asset-Specific Training	18
Program Funds	19
Match Funds	19
Administration Funds	19
Candidate Eligibility	20
Appendix A: 200 Percent of Federal Poverty Limits.....	22

Purpose of this Document

This document is intended to give potential VIDA intermediaries and savings candidates a general understanding of the VIDA program and their specific roles and responsibilities. More details on these topics as well as program operations are provided in the *VIDA Intermediary Program Manual (Program Manual)* and the *VIDA Saver's Handbook (Handbook)*.

Intermediaries should have a thorough understanding of both documents.

Program Overview

The Virginia Individual Development Accounts (VIDA) program is administered by the Virginia Department of Housing and Community Development (DHCD). Core program partners are the Virginia Department of Social Services (DSS), the Virginia Housing Development Authority (VHDA) and the Virginia Community Action Partnership (VACAP). VIDA receives funding from the Virginia Department of Social Services, Virginia Housing Development Authority, and the U.S. Department of Health and Human Services – Office of Community Services' Assets for Independence Grant (AFI).

VIDA is designed to encourage savings and improve personal financial planning to help low-wage/wealth individuals and families build productive assets in an effort to become economically self-sufficient. VIDA provides matching funds for individuals saving into a designated account, called an IDA, for an **eligible use - home ownership, education, or business start-up or expansion**. Matching funds are provided to increase savings and to help individuals build assets more quickly.

VIDA provides \$2 in match for every \$1 the participant saves; match cannot exceed \$4,000 per saver, per lifetime. Individuals who successfully purchase one asset through VIDA may also reapply for the purchase of a different asset provided they do not exceed the \$4,000 in match funds. Up to two eligible individuals in a household may participate. VIDA accounts are generally available on a first-come, first-serve basis.

DHCD works through local service providers (intermediaries) who recruit, determine eligibility of, support, and train the savers. Once a saver is enrolled in the program, DHCD opens the IDA on behalf of the saver at one of VIDA's designated financial institutions. All savers receive financial management training that includes such topics as improving credit, setting up a budget

and savings schedule, and the basics of money management. In addition, they must attend training that is specific to the asset for which they are saving (e.g. how to start a small business; buying and maintaining a home; career exploration/college success course).

Roles and Responsibilities

The Intermediary

Saver recruitment, eligibility determination, case management and direct services are the key responsibilities of VIDA intermediaries. VIDA is intended to supplement and work in tandem with other services and programs provided by the selected VIDA intermediaries to offer a comprehensive strategy for low-wage families to achieve self- sufficiency.

Organizations interested in serving as an intermediary must complete a threshold-based application. DHCD will contract with selected intermediaries for a term of five consecutive years with a performance review within the first two years of the contract term. VIDA intermediaries have the following roles and responsibilities. How to perform each of these items is discussed in more detail in the *Program Manual*.

Intermediaries are **expected to graduate at least 25 savers** by the end of the fifth contract year, with at least 10 of those occurring with the first two years.

Recruitment of potential candidates.

Active and on-going marketing of VIDA to current customers of the organization.

Approve candidates for acceptance into the program.

- a. Screen, **determine and verify eligibility** of candidates using the VIDA Candidate Application (dated January 2012); *candidate* eligibility is based on *household* income and net worth eligibility;
- b. Enter the candidate's application information into the VIDA Database in a timely manner in order to notify DHCD to allocate a savings slot for this individual;
- c. Establish and maintain a secure filing system for the applications of all savers approved by the intermediary; maintain the application and all documentation used to determine and verify eligibility; savings goal, action plan, financial information, records of training attendance, progress and follow-up reports on the use of the funds for monitoring by DHCD.
- d. Continue to work with savers **not ready** for participation to address barriers to position them to be successful applicants and savers at some future time.

In order to successfully accomplish these responsibilities, intermediaries are expected to have a clear understanding of all **AFI eligibility requirements** and of the VIDA candidate application and VIDA database interface.

Prepare savers to reach their savings goal within the two-year participation period.

- a. Develop, with each saver, a **personalized action plan /timeline**, with target completion dates, that includes at a minimum:
 - A budget, with a monthly savings deposit of at least \$25 of **earned income** every calendar month. Qualified sources of savings are defined under Enrolled Saver Responsibilities.
 - Each activity necessary for the saver to reach their identified goal. This would include required training, credit repair, annual use of EITC or other tax credits as appropriate as outlined in the *Program Manual*.
- b. Review monthly the savings balance information from DHCD with the saver as well as progress on personalized action plan /timeline and work with the saver to address issues in a timely fashion.
- c. Provide training, or partner with an organization that can provide training, in basic **financial management** including topics such as *personal financial management training, budgeting and credit repair, loans and grant resource development, and personal financial planning (i. e. savings and investments, insurance, wills, and tax planning)*. Recommended curricula are outlined on page 12.
- d. Provide training or partner with an organization that can **provide asset-specific training** for the appropriate asset goal.
- e. Provide enrolled savers services and/or technical assistance targeted to their particular savings goal, such as housing counseling, or career counseling or micro-enterprise services, to develop asset management skills.

In order to successfully accomplish these responsibilities, intermediaries are expected to have a clear understanding of all the details of the *Saver's Handbook* and maintain regular contact with each saver as outlined in the *Intermediary Program Manual*.

Provide case management and support to ensure saver retention.

- a. Use escalating counseling to reach out to savers that have missed a monthly deposit and alert DHCD of any extenuating circumstances. After three consecutive months of deposits are missed, DHCD will terminate the saver's participation.
- b. Encourage and assist savers in switching goals if they are having considerable difficulty in saving for their current asset rather than completely withdrawing from the program. For example, encourage a participant who cannot save enough to purchase a home to consider using savings for postsecondary education. In such cases, the saver would need to receive the appropriate asset training for the new goal.
- c. Help savers find other sources of assistance to address cash emergencies rather than making an **emergency (non-qualified) withdrawal** from their VIDA account. If no alternative means exist, assist the saver in requesting an emergency withdrawal of the saver's funds. Emergency withdrawals are considered on a case-by-case basis for medical care, payments necessary to prevent eviction, or for living expenses following the loss of employment. In the case of an emergency withdrawal, the saver may access only the funds deposited into their IDA. Match is NOT provided in such cases.

Assist the saver with the asset purchase.

- a. Assist savers with identifying the best asset to purchase and help the saver receive other available financial resources.
- b. To every extent possible, counsel the saver to use a reputable vendor with a proven track record for provision of the service or product, and in the case of a home or other purchase requiring a contract, review the contract to ensure fair and reasonable treatment of the saver. Should vendors default on provision of the goods and services after receipt of payment of match and savings, DHCD reserves the right to seek repayment of lost match funds from the saver.
- c. Help the saver submit an accurate and complete Qualified Withdrawal application to DHCD within the adequate timelines specified in the *Saver's Handbook* and the *Intermediary Program Manual*. DHCD cannot process any matched withdrawal requests UNTIL the saver's account has been **open for six months**. Intermediaries are responsible for submitting the request to DHCD on behalf of the saver no later than five business days after receiving it from the saver.
- d. Receive and file in the saver's file the documentation of **proof of completion of the asset purchase**.

Provide required reporting and data to DHCD

Provide a monthly report on training and technical assistance activity and any other pertinent program activity to DHCD, including additional information on savers as requested by DHCD.

DHCD

Provision of match funds, negotiating and managing the financial institution relationships, opening and providing account information on the IDAs, and program marketing and partnership building are DHCD's main responsibilities. These activities are performed with the support of the partners mentioned earlier. Each of these items is discussed in more detail in the *VIDA Intermediary Program Manual* and *Savers Handbook*.

Enroll and support intermediary implementation.

- a. Review applications for intermediary acceptance into the program as they are submitted. DHCD will notify the applicant of approval/denial within **two months** from the date DHCD receives the **final, complete** application.
- b. Provide appropriate guidance materials and forms for VIDA program implementation including the *Program Design, Intermediary Program Manual, Saver's Handbook* and others as needed.
- c. Provide regular training on all aspects of program eligibility, expectations, best practices, EITC and other resources, and use of the electronic database interface.
- d. Provide monthly savings balances for the intermediary's savers.
- e. Market the VIDA program and intermediaries throughout the state through press releases, PSAs, brochures, posters and events and provide marketing material to intermediaries.
- f. Provide \$600 in administrative support for each saver that completes their asset purchase (i.e. graduates).

Provide IDA account services.

- a. Open custodial IDA accounts on behalf of savers at their choice of participating financial institutions.
- b. Provide monthly savings statements to savers that shows beginning balance; total deposits for the period (savings & interest); total withdrawals for the period (emergency withdrawals or saver's portion of asset purchase withdrawals; match earned as well as savings tips, strategies and information on free tax preparation.

Provide matching funds for asset purchases.

Provide match funds for qualified asset purchase at a ratio of \$2 for every \$1 saved by the saver by approving withdrawal requests. DHCD makes payment of the savings and match directly to the vendor. Savers must have had their IDA account open for **at least six months** and completed their training requirements before matched withdrawals can be made.

Provide savers access to their savings in case of emergencies.

Process emergency withdrawal requests on behalf of savers. DHCD will generate a payment of the requested amount to the saver.

The Saver

A serious commitment to reducing debt and changing their spending and savings habits, a willingness to seek assistance, and the ability to save at least \$25 per month for two-years are the main responsibilities of VIDA savers. Savers must work through a local intermediary for all aspects of their participation in VIDA. Activities are performed with the support of the intermediary; however only a serious commitment to the concept and process of VIDA leads to the success and ultimately the ownership of the savers selected asset. Details on each of these items is discussed in more detail in the *Saver's Handbook*.

Complete a Candidate Application.

Provide complete and accurate information on the VIDA Candidate Application and supply the appropriate documentation about your finances, household income and household net worth. VIDA accounts are available on a first come/first serve basis, so it is important to complete the VIDA Candidate Application in its entirety and be able to provide the VIDA Intermediary with all the pertinent information requested on the application. Delays in providing this information will delay the intermediaries ability to qualify the applicant for the program and request an IDA slot from DHCD.

Allow DHCD to open a custodial IDA account.

Select Wells Fargo, BB&T or VCC's Community Capital Bank, to host your IDA account. DHCD opens a **custodial** IDA account on behalf of the saver at these financial institutions, which have agreed to waive their standard minimum balance requirements and all account fees for a period of two years from the date the account is opened.

Actively work to reach their savings goal within the two-year participation period.

- a. Develop, with the intermediary, a **personalized action plan/timeline**, with target completion dates, that specifies at a minimum:
 - A budget, which includes a monthly savings amount of at least \$25 of **earned income** every calendar month. Qualified sources of savings are defined under Enrolled Saver Responsibilities.
 - Each activity necessary to prepare the saver to reach the identified goal. This would include required training, credit repair, annual use of EITC or other tax credits as appropriate.

- b. **Save at least \$25 per month.** All savings must be **earned income**, which includes wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered. DHCD considers Earned Income Tax Credit or other refunds as earned income. It is important to commit to depositing some portion of tax refunds into the IDA because the minimum deposit **will not yield** the maximum match of \$4,000 over the two year enrollment period.
- c. **Review savings statements** from DHCD as well as progress on the personalized action plan/timeline with the intermediary. Contact their intermediary for assistance immediately if experiencing difficulty saving as planned or if they miss a monthly deposit. If an enrolled saver fails to make the minimum monthly deposit for three consecutive months, that saver will be terminated from the program.

Complete the required training.

Each saver is required to successfully complete a financial management course and a course that is related to the purchase of their chosen asset. More information about the required training is presented under the information about the specific assets – Homeownership, Business Development and Post-secondary Education beginning on page 11.

Work closely with the Intermediary on asset purchases.

- a. Notify the intermediary as soon as possible about plans to make an asset purchase. The IDA must be open for at least six months before DHCD will accept a request for matched savings/qualified withdrawal request. DHCD pays the IDA savings and match to the vendor directly and will NOT reimburse savers for asset purchases outside of the required process outlined in the *Saver's Handbook*.
- b. Provide all the requested information on the Qualified Withdrawal Form and submit the form to the intermediary following the submission timeline guidelines in the *Saver's Handbook*.
- c. Provide the intermediary with the required documentation as proof of the asset purchase.

Work closely with the Intermediary in cases of cash emergency.

- a. Notify the intermediary immediately if you need to make a withdrawal of your savings for emergency purposes such as for medical care, for payments necessary to prevent eviction, or to meet living expenses following loss of employment.
- b. Consider using other community resources rather than savings.

- c. If no alternative means exist, submit a Non-qualified Withdrawal form to the intermediary.
The intermediary submits this completed form to DHCD for withdrawal of the requested amount of savings. No match funds will be available.
- d. Repay the IDA in three to six months depending on the nature of the emergency.

Asset Goal: Homeownership

Eligible Uses of Funds

Matching funds and personal savings for home ownership must be used as down-payment assistance or for the **qualified acquisition costs** of purchasing a home.

Qualified acquisition costs are the costs of acquiring a principal residence and include any usual or reasonable settlement, financing, or other closing costs. A **principal residence** is the main residence to be purchased by the saver where the total qualified acquisition costs do not exceed 120 percent of the average area purchase price applicable for the Virginia-based residence. This definition is included to protect the saver from fraudulent or discriminatory lending.

While a variety of items are qualified acquisition costs, the **best use of VIDA funds is as the down payment**. Most of the items below are one-time transactions that have little or no impact on the size of monthly mortgage payments. Using VIDA funds for down payment allows savers to triple the impact of their funds on the size of the mortgage and mortgage payment.

Qualified Acquisition Costs:	Non-qualified Costs:
Down payment	Earnest money deposits
Closing costs	Furniture purchases
Settlement charges	Appliances or fixtures
Attorney fees	Rehab or repair to the property
Title insurance fees	
Appraisal fees	
Inspector's fees	

Savers often combine many sources of financial assistance in addition to VIDA funds and it is important to use all funds strategically so that VIDA funds can be used at the closing.

A first-time homebuyer is an individual who has not purchased nor owned a home within the last consecutive three years. The home purchased must be located within the state of Virginia. Match will be available at a 2:1 ratio, with a cap of \$4,000 per individual and a maximum of two individual participants per household.

Training Requirements

Financial Management Training

In addition to working directly with their local intermediary on budgeting and credit repair, every enrolled saver is required to successfully complete **financial management training**.

The intermediary should provide the required training or partner with an organization that can provide the required training. The saver should contact the intermediary about enrolling in this training. This training should consist of at least 8 hours of education and address at least the following topics:

- Household budgeting
- Goal setting
- Financial institution services
- Saving and interest
- Credit repair and debt management
- Asset planning

DHCD strongly recommends the use of one of the following financial management curriculum:

- FDIC Money Smart: A Financial Education Program, for more information go to: www.fdic.gov/consumers/consumer/moneysmart
- Money Management International's Financial Wellness in 30 Steps, for more information go to: <http://www.moneymanagement.org/>
- NeighborWorks Financial Capability Program, for more information go to: www.nw.org

Asset-Specific Training

Savers planning to purchase a home should receive at least 6 hours of home ownership training to include such topics as: qualifying for a mortgage, affordable housing opportunities, finding and selecting a home, mortgage financing options, loan closing, and post-purchase success.

The intermediary should provide the required training or partner with an organization that can provide the required training. The saver should contact the intermediary about enrolling in this training.

Asset Goal: Postsecondary Education

Eligible Uses of Funds

Matching funds and personal savings for postsecondary education and training may be used for tuition costs and/or the costs of books and resources required for a course provided by an **eligible institution**. While participants are able to use their IDA funds towards books or required educational resources required by a course, tuition payments should be a priority. It is expected that a tuition payment is made prior to any payments for educational supplies. Any purchases for computers or other electronic resources must be made through the eligible educational institution.

An eligible institution are those eligible to receive Federal financial aid funds, such as Pell grants, or work with Federal Student loans, such as Direct Student Loans, and other Federal sources to support the costs of attendance.

Eligible colleges and universities are listed at the following Department of Education website: <http://ope.ed.gov/accreditation/Search.aspx>. Usually, entering the name of the school is enough for a search.

There is no single source list for vocational and technical schools. For these, you can ask the business office whether they can receive Federal financial aid funds. If so, they should have a Federal School Code number or other documentation of eligibility.

Intermediaries prior to submitting an education applicant's application should check the applicant's desired school to ensure that it is on the approved list of eligible institutions. Participants may save for themselves, their spouse or a dependent child. However, the timeframe for program participation is two years from the time of enrollment to the time of asset purchase (e.g., payment of tuition), thus this option is not meant as a long-term savings strategy for very young children.

Training Requirements

Financial Management Training

In addition to working directly with their local intermediary on budgeting and credit repair, every enrolled saver is required to successfully complete **financial management training**. The

intermediary should provide the required training or partner with an organization that can provide the required training. The saver should contact the intermediary about enrolling in this training. This training should consist of at least 8 hours of education and address at least the following topics:

- Household budgeting
- Goal setting
- Financial institution services
- Saving and interest
- Credit repair and debt management
- Asset planning

DHCD strongly recommends the use of one of the following financial management curriculum:

- FDIC Money Smart: A Financial Education Program, for more information go to: www.fdic.gov/consumers/consumer/moneysmart
- Money Management International's Financial Wellness in 30 Steps, for more information go to: <http://www.moneymanagement.org/>
- NeighborWorks Financial Capability Program, for more information go to: www.nw.org

Asset-Specific Training

Savers planning to pursue postsecondary education should receive at least 6 hours of career counseling or training by a guidance counselor, career counselor or equivalent. At a minimum this should include such topics as: skills and interests, labor market needs, career planning, education planning, admission application assistance, financial aid application and scholarship application assistance, etc. In the case of an enrolled saver saving on behalf of a child or spouse, that child or spouse must complete the counseling.

Participants who are saving for a family member such as a child or spouse to attend school, the child or spouse must complete the asset portion of the training. Examples of educational asset training include attending an orientation session at the desired institution along with enrolling in a basic college introduction course.

Asset Goal: Business Development

Eligible Uses of Funds

Matching funds and personal savings for business development may be used to start-up or expand a Virginia-based business or self-employment venture for a participant. For example, a micro-enterprise IDA can be used to capitalize a business and may be used in conjunction with other sources, including loan funds. Qualified expenses for the micro-enterprise and small business savers include business inventory and equipment purchases.

Qualified expenses for business savers:	Non-qualified expenses for business savers:
Ad design – initial set-up and development	Deposits for utilities
ecommerce or website development	Insurance, rents, re-occurring expenses
Inventory- example; tangible products used to carry out the daily operations of the business	Working capital – example; payroll
Equipment – machinery or other devices necessary to carry out the daily operation of the business	

Training Requirements

Financial Management Training

In addition to working directly with their local intermediary on budgeting and credit repair, every enrolled saver is required to successfully complete **financial management training**. The intermediary should provide the required training or partner with an organization that can provide the required training. The saver should contact the intermediary about enrolling in this training. This training should consist of at least 8 hours of education and address at least the following topics:

- Household budgeting
- Goal setting
- Financial institution services
- Saving and interest
- Credit repair and debt management
- Asset planning

DHCD strongly recommends the use of one of the following financial management curriculum:

- FDIC Money Smart: A Financial Education Program, for more information go to: www.fdic.gov/consumers/consumer/moneysmart
- Money Management International's Financial Wellness in 30 Steps, for more information go to: <http://www.moneymanagement.org/>
- NeighborWorks Financial Capability Program, for more information go to: www.nw.org

Asset-Specific Training

Savers planning to pursue business development should receive at least 6 hours in relevant small-business training programs through a Virginia Small Business Development Center, SCORE program or micro-enterprise development program (see DHCD website). Topics should include: legal structure selection, estimated start-up costs, market research, marketing, insurance needs, financial projections, taxation, etc. The outcome of training should be the development of a business plan.

The plan must be reviewed by one of these entities before the saver may use it as the basis for a qualified withdrawal request. The business plan should include a list of the desired equipment and inventory the saver plans to purchase under VIDA. The business plan should justify the need for the purchase of the inventory and or equipment listed in the business plan. For example, the company is an event planning company specializing in weddings; therefore, they are requesting an advertisement within a bridal magazine. The participant must submit their business plan to the intermediary for review at least two weeks prior to making a qualified withdrawal request. The intermediary will forward the business plan to DHCD and DHCD reserves the right to request additional details prior to processing the match request. VIDA funds must not be used for illegal and/or fraudulent businesses.

Program Funds

Match Funds

Savers are limited to a maximum of \$4,000 match from VIDA at a rate of \$2 for each \$1 saved. Intermediaries may supply additional in-kind match from other sources. However, these dollars cannot be counted as savings to obtain match funds. Match funds are not paid to the saver, but directly to the vendor that provides the eligible asset identified in the savings plan.

Match funds will be forfeited if an account is closed at the discretion of the enrolled saver prior to the completion of the IDA program; for failure, without good cause, to meet the minimum savings amount; not fulfilling workshop training requirements; and/or not taking the actions specified in the savings plan that will lead to the asset purchase.

Administration Funds

DHCD will pay VIDA intermediaries administration and training funds of \$600 per saver based **on completion of an asset purchase and receipt of documentation showing the asset transaction was completed.** Payment procedures are discussed in detail in the ***Program Manual.***

Candidate Eligibility

Participation in the VIDA program is limited to individuals or households with incomes at the time of enrollment of not more than 200 percent of the official federal poverty level (see Appendix A) and whose household net worth (excluding a primary residence and one vehicle) is less than \$10,000. Up to two members of an eligible household are eligible to participate in the VIDA Program provided each has earned income.

Welfare payments, Supplemental Security Income (SSI), Social Security Disability Income (SSDI) payments, state or federal training program stipends and Unemployment Compensation are **not** considered **income** in the determination of participant eligibility. Salary and wage statements; W-2 forms, recent tax returns of the participant and all members listed in the household are adequate documentation of income eligibility.

<u>Included</u> in the calculation of Earned Income	<u>Excluded</u> in the calculation of earned income
Formal employment wages	Welfare payments
Self employment wages	Supplemental Security Income (SSI)
Pension funds	Social Security Disability Income (SSDI)
Retirement Income	State and Federal training stipends
Dividend payments from stocks, bonds	Unemployment Compensation
Alimony payments	Private disability insurance payments
Investment income	Social Security
Settlements	Veteran's benefits

The complete list of savings candidate eligibility includes:

- Being a U.S. citizen or legal alien and a Virginia resident
- Being 18 or older
- Meeting **income and net worth** eligibility requirements
- Having earned income from full, part-time or self-employment.

Desired Candidate Profile

The ability of the individual to obtain the asset within two years should be a factor in the intermediary's decision to move forward in the enrollment process. This is of particular importance for the purchase of a home which requires considerable resources beyond the savings in VIDA.

Debt reduction should always come first. All eligible individuals are encouraged to participate in the VIDA program but if a candidate cannot realistically pay down debt AND save enough to complete the program in two-years, the candidate should focus on debt reduction. Once debt has been reduced, the candidate will be in better condition for VIDA participation.

Besides lower debt, there are other characteristics that make for successful VIDA candidates.

These include:

- stable employment;
- established long-term goals for themselves and their children;
- **strong** desire to purchase a home, start a small business, or attend school;
- desire to improve their money-related knowledge and skills;
- credit history acceptable to most lenders for their asset purchase OR have the desire and ability to address credit issues in a timely manner;
- ability to consistently make a deposit of at least **\$25 or more** per month from earned income; It takes a monthly deposit of about \$84 to save \$2,000 during the two year enrollment period and reach the maximum match of \$4,000.

Appendix A: 200 Percent of Federal Poverty Limits

Individuals seeking to participate in VIDA must have **household** incomes at the time of enrollment **at or below** the annual **or** monthly amounts related to household size that are listed in the following chart. These amounts represent 200 percent of the federal poverty limit and are updated annually each spring.

200 Percent of Federal Poverty Limits

Effective for 2012

Total number of people within household	Maximum household income allowed annually	Maximum household income allowed monthly
1	\$22,340	\$1,862
2	\$30,260	\$2,522
3	\$38,180	\$3,182
4	\$46,100	\$3,842
5	\$54,020	\$4,502
6	\$61,940	\$5,162
7	\$69,860	\$5,822
8	\$77,780	\$6,482
9 or more: add this amount to annual income for each additional person	\$7,920	\$660