



# Opportunities Beyond IDAs

*Turning Investment and Service Activities Into New Customers*

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## WaMu Facts

- **Largest savings institution nationwide**
- **As of 12/31/03, had consolidated assets of \$275.18 billion**
- **Operates over 2,400 offices throughout the nation**



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## **“We do cool things”**

- **Helped pioneer the first shared ATM network, “The Exchange”**
- **Instituted the School Savings Program in 1923 to give students hands-on lessons about how to handle money responsibly**
- **In 2001, announced the largest-ever community lending commitment of \$375 billion over 10 years to low- to moderate-income communities we serve**
- **In 2002, received Points of Light Award for Excellence in Corporate Community Service, one of the highest community service awards in the country**



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## Company Goals

**Maximize** household growth and deepen customer relationships

**Deliver** a superior customer experience

**Drive** efficiencies and operation excellence throughout the company



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## What's an IDA?

Individual Development Account (IDA) - an account in which the low-income participant is saving for a wealth-building activity typically identified as:

Home Ownership

Education

Small Business



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## No two programs are alike!

- PIOpp, PRIDA, Youth\$ave, West\$ave, RIDA, VIDA, WIDA, YIDA, Dream\$avers, Home\$start, OIDA, ABRIDA, Child Care IDA Program, , CFRC IDA Program, MDHA IDEA Program, URHA IDA Program, United Way of King County, United Way of Snohomish County, United Way of Columbia-Willamette, United Way in Atlanta, United Way of Greater Los Angeles and the Long Beach CDC IDA Program



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## Participation in a variety of Programs

- First involved in CFED's American Dream Demonstration (ADD) project
- Participated in Department of Health and Human Services' AFIA pilot
- Today, we are Financial Institution partner in
  - Over 30 IDA programs
  - Over 750 account holders



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## Hurdles

Need for a standardized product

Need for standardization of policy and procedures

Internal issues such as staff training, system constraints, cross-sale ratios, fee waive codes, Chex Systems<sup>SM</sup> issues and our Legal Department



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## On-Going Results

- **Opportunity to increase households**
  - Meets a corporate goal
- **Opportunity to strengthen business relationships**
  - Increased deposit and lending relationships
- **Opportunity to cross sell other products and services**
  - Over 150 LMI mortgage loans
  - For many, becoming their bank of choice



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## An Activity that Counts

Financial support of programs can be viewed favorably under the **Investment Test**

Employee support of programs (financial and home buyer education) can be viewed favorably under the **Service Test**

The participant's goal can result in business that counts under the **Lending Test**



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## Win-Win-Win Situation

- Non-profits have a partner for their programs
- Bank has an opportunity to build relationships with new customers and strengthen relationships with existing customers
- Participants WIN by having the chance to begin saving for whatever they dream

