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Matched savings program helps area residents

By Magdalena Wegrzyn
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LAFAYETTE — Like many Boulder County residents, Dwight Reinhardt balances on a precarious ledge.

The freelance photographer earns a decent paycheck — he takes home about \$3,000 each month — from his full-time shipping and receiving job for the University of Colorado at Boulder's Laboratory for Atmosphere and Space Physics.

He pays the rent on his apartment duplex in Lafayette each month.

Certainly, he's not going hungry.

"I wouldn't say I was living hand to mouth," the 50-year-old said. "But I didn't have a hard and fast (savings) goal."

That was until Reinhardt enrolled in the Personal Investment Enterprise program.

"It's for people who are on the edge — not really rich, but making enough to maybe get their feet in the door," he said.

Through the program, Reinhardt has invested \$6,000 — \$3,000 of his own money and \$3,000 in matched savings — in his photography business.

"It was definitely worth it for the funding that they provided because that allowed me to get certain things that I wouldn't have bought for myself," he said.

Reinhardt was the 100th person to graduate from PIE, a matched savings program managed by Boulder County's Community Action Programs.

The program provides a 4-to-1 matching grant to help Boulder and Broomfield counties' working poor gain assets: a first home, post-secondary education or a small business investment.

"People who have assets are more likely to stay stabilized and move forward in their lives financially," said Janet Heimer, director of Community Action Programs.

Applications are accepted year-round for the program, which takes participants from six to 30 months to complete.

Participants save at least \$25 each month in an individual development account until they reach \$750. Through the program, they then receive a matching grant of \$3,000.

Foothills United Way manages the program's finances, which come from federal funds, contributions from local governments and private grant money.

Because funding comes from both federal and private sources, the program has two different income requirements. In federally funded spots, participants must earn no more than 200 percent of the federal poverty level — \$44,100 for a family of four.



Dwight Reinhardt — pictured Nov. 11 at the Boulder studio co-op of which he is a member — is a Lafayette resident who recently completed Boulder County's PIE (Personal Investment Enterprise) program and used the money he earned to fund a new photography business. **Joshua Buck/Times-Call**

Personal Investment Enterprise

Whom will PIE accept?

Applicants to the Personal Investment Enterprise program must meet the following criteria:

- Be at least 18 years old.
- Meet income limits depending on household size.
- Have maximum household assets of \$10,000.
- Be a resident of Boulder or Broomfield county for at least one year.
- Have a valid Social Security number.
- Work at least 30 hours a week unless permanently disabled, elderly, receiving Temporary Assistance for Needy Families or a full-time student who is the head of a household.
- Attend an orientation before applying.

How to sign up

What: Orientations for Personal Investment Enterprise program

Private money has higher income limits, and participants must make no more than 80 percent of the Boulder County area median income, which is \$64,000 for a family of four.

All participants are required to take financial literacy classes. Depending on their goal, they also have to finish a program for homebuyers or small-business development or meet with academic advisers.

So far, 108 people have graduated from PIE since it started in 2002 in Boulder County. Program coordinator Nino Gallo said most participants stay in the program for the entire 30 months, saving maybe \$25 each month.

Reinhardt enrolled in the PIE program in spring 2008, originally planning to take classes to become a first-time homeowner and use the savings toward buying a house.

“I knew what I was doing, but I got into some financial hot spots, and I wanted to use the program. They had to make sure I didn’t get back there,” he said.

Less than 10 months after starting the program, he had saved \$1,200 of his own money. With the county’s match on his first \$750, he had \$4,200 and began looking at homes.

And then the economy plummeted.

Reinhardt put his real estate plans on hold and switched to the PIE program’s business classes, hoping to build up his photo business into a second part-time job.

At the end of the program, he personally saved about \$3,000. With the \$3,000 match, he had a total of \$6,000, which he used to buy a moveable portrait studio to bring to clients, a new laptop, a portable hard drive, ink and other supplies.

Once he set a goal, putting aside the money each month wasn’t difficult, Reinhardt said.

He started comparing prices at the grocery store, where he began shopping weekly, instead of daily. Instead of a \$3 cup of java, he broke out the coffee maker at home.

Rather than watching the game with the guys at the bar, he caught it at home.

Although he still insured his car, Reinhardt came to cherish the free bus pass that came with his job at CU.

He also started to look at his personal finances as a business, tracking his spending and revenue to make sure he earned a “profit.”

Normally a cash-only guy, Reinhardt applied for a credit card when he started the PIE program and used it and his debit card to start building a credit history.

With his photo business growing, Reinhardt said, he has turned his sights on homeownership once again. Next year, he hopes to buy a home large enough to house a photo studio so he can move out of a co-op studio he rents in north Boulder.

For other PIE program participants, he offers this advice.

“You have to be willing to discipline yourself. They give you the information and the tools, but nobody does it for you,” he said.

Magdalena Wegrzyn can be reached at 303-684-5274 or mwegrzyn@times-call.com.

When: Dec. 7 in Boulder and Dec. 15 in Longmont. Both orientations are from 6 to 7 p.m.

Where: Longmont: St. Vrain Complex, 529 Coffman St. Boulder: Sundquist Conference Room, 3482 N. Broadway.

More information: Visit <http://www.bouldercountypie.org/> or contact Nino Gallo at 303-441-3998 or ngallo@bouldercounty.org.