

**AMERICAN FAMILY LIFE ASSURANCE  
COMPANY, INC. (AFLAC)**  
COLUMBUS, GA.



**ORGANIZATION BACKGROUND**

- American Family Life Assurance Company, Inc. (Aflac), headquartered in Columbus, Ga., is a leading provider of supplemental insurance. There are more than 4,400 employees at Aflac's headquarters.
- Aflac established its employer-assisted housing program in 2002.

**AFFORDABILITY GAP IN COLUMBUS, GA.**

Median home price	\$117,410
Income needed to afford a median-priced home	\$33,890
<b>AVERAGE ANNUAL SALARY FOR:</b>	
Administrative assistant	\$33,020
Bookkeeping, accounting and auditing clerk	\$28,170
Customer service representative	\$26,250
Human resources assistant	\$32,180

Sources: Moody's Economy.com Estimated (Second Quarter 2006); Bureau of Labor Statistics (May 2006).

**SITUATION OVERVIEW**

Aflac maintains a strong commitment to caring for its workforce, which helps increase employee morale, well-being and productivity. That commitment was one of the primary reasons for the creation of the employer-assisted housing (EAH) program in 2002. Since its implementation, the program has increased investment and improved conditions in the surrounding community where Aflac employees live.

**EAH PROGRAM AT-A-GLANCE**

The Aflac EAH program was developed as a partnership with NeighborWorks Columbus, a private, community-based, nonprofit organization. In an effort to promote homeownership opportunities and enhance community stability, Aflac and NeighborWorks Columbus designed a program that provides grants Aflac employees can use toward the purchase of a first home and encourages those purchases in targeted neighborhoods by offering additional grant money. Aflac provides down payment and closing cost assistance in the form of "no strings attached" grants, as well as homeownership and financial counseling.

**COMPETITIVE ADVANTAGE**

Aflac's EAH program has enhanced the company's reputation as an "employer of choice." In 2007, Aflac was named by *Fortune* magazine as one of the "100 Best Companies to Work For" for the ninth straight year. The EAH program also has increased employee retention. Aflac's 2007 survey of program participants revealed that 72 percent feel Aflac's financial contribution to EAH will influence their decision to remain with the company.

**THE BOTTOM LINE**

"We are proud to be able to assist our employees in achieving their dreams of homeownership. It benefits the employees, it benefits Aflac and, of course, it benefits the community where we all live and work together."

**-SHARON DOUGLAS**

Vice President, Chief People Officer  
Aflac



## PROGRAM DETAILS

Employees purchasing their first homes can receive “no strings attached” grants of \$1,000, which do not have to be repaid to Aflac. If employees decide to purchase homes in one of Aflac’s four targeted, transitional neighborhoods in Columbus, the grants are increased to \$5,000. The EAH program is restricted to first-time homebuyers.

Aflac’s partner in this effort, NeighborWorks Columbus, conducts counseling, grant administration and mortgage brokering for participants. NeighborWorks Columbus also packages Aflac’s financial assistance with other available subsidies, where appropriate. Aflac is responsible for marketing the program to its employees.

Financial education and counseling are required for all Aflac employees who participate. When employees initially enter the program, NeighborWorks Columbus reviews their credit history and, with their input, conducts a basic financial evaluation. The analysis categorizes participants as either “near ready,” “short term” or “long term” with regard to homeownership preparedness. Based on this evaluation, employees are placed in technical assistance programs. The minimum financial education that employees are required to receive is eight hours of classroom education and six hours of individual counseling. For employees who require more financial assistance, NeighborWorks Columbus provides peer-learning sessions and one-on-one counseling in conjunction with its more traditional financial education program.

### Employee Eligibility

- All employees who will be first-time homebuyers are eligible to participate in the program.

### Program Expenses

Aflac’s EAH program was launched in 2002 with \$20,000 in grants made available to employees for down payment and closing cost assistance. That year, Aflac also provided NeighborWorks Columbus with an extra \$5,000 to promote the first targeted neighborhood to program participants. The following year, Aflac made \$25,000 in grants available to employees. Today, program costs vary from year to year based on projected employee involvement.

### Key Partners

- **NeighborWorks Columbus:** administers Aflac’s EAH program, and provides financial education and counseling to employees.

## OUTCOMES

- More than 200 employees have participated in the EAH program, of which 44 have purchased their first home.
- Eighty percent of the employees who successfully purchased their first home through the program are women.
- The decision to provide “no strings attached” grants as a show of faith to employees has paid off in terms of staff loyalty and retention, as the company’s 2007 EAH program participant survey demonstrates.
- Most participating employees receive the \$1,000 grant and decide against purchasing homes in the targeted neighborhoods.

## IMPLEMENTATION INSIGHT

Aflac found that by limiting the program to first-time homebuyers, the company was able to target its desired income group (i.e. people earning 80 percent or less of the area median income) without adding further restrictions to its program. Aflac also discovered that making more money available to employees for the purchase of homes in a targeted neighborhood did not necessarily correlate with a greater number of employees purchasing homes in that area.

Since the inception of the program, Aflac has surveyed participating employees annually in order to gain an understanding of the employees who utilize the program, the services they used and their level of satisfaction with the program. This process has enabled Aflac to assess program success and make informed decisions about program design and funding.



“I consider Aflac the best employer in Columbus, and I thank God for a company that values its employees so highly. My children and I are very pleased with our home.”

—LASADA WILLIAMS  
Customer Service Specialist  
Aflac