Best Practices for City and Countywide CSA Program Development

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Welcome

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Housekeeping

• This webinar is being recorded and will be available online and emailed to those who registered
• All attendees are muted to ensure sound quality
• **Ask a question** any time by typing the question into the text box of the GoToWebinar Control Panel
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**Trouble dialing in?**
Just listen through your computer with speakers or headphones!
Our mission at CFED is to make it possible for millions of people to achieve financial security and contribute to an opportunity economy.
How Do We Do It

We **push to expand** innovative practical solutions that empower low- and moderate-income people to build wealth.

We **drive policy change** at all levels of government.

We **support the efforts of community leaders** across the country to advance economic opportunity for all.
Campaign for Every Kid’s Future

Join today to help achieve our vision of 1.4 million Children’s Savings Accounts by 2020!

savingsforkids.org
What Are CSAs?

- **Long-term** savings or investment accounts for children (0-18)

- Usually used for **postsecondary education** (or other asset purchase such as homeownership or entrepreneurship)

- Provide **incentives** to build savings (e.g., seed deposit and matches)

- Account withdrawals are **restricted**
How Do CSAs Work?

**OPEN ACCOUNT**
Accounts—opened as early as birth or kindergarten—are seeded with initial deposits.

**GROW SAVINGS**
Accounts grow through family contributions and incentives, such as savings matches.

**ATTEND COLLEGE/TRAINING**
Savings help pay for postsecondary education.

**GRADUATE**
Children with a college account with $500 or less are 4x more likely to graduate.
Where Are CSA Programs?

- ME Alfond College Challenge
- NV College Kick Start
- RI CollegeBoundbaby
- San Francisco (CA) Kindergarten to College
- St. Louis (MO) College Kids
- Lansing (MI) SAVE
- “I Have a Dream” Foundation (NY, CO, IA)
- Inversant (MA)
- Promise Indiana

Updated July 2016
Webinar Overview

- To gain an understanding of some of the benefits of municipal and county involvement in CSA programs
- To learn more about the different types of municipal and county CSA program models that are currently in operation
- To hear best practices and have an opportunity to ask questions of practitioners and TA providers
Presenters

Jamie Nash
Senior Associate
National League of Cities

Carol Lei
Program Manager, K2C
City and County of San Francisco

Erin Thiemann
College Savings Account Coordinator
City of St. Louis

Phil Maurizi
Vice President of Promise Indiana
Wabash County YMCA
National League of Cities

Jamie Nash
Senior Associate, Benefit Outreach
National League of Cities Institute for Youth, Education and Families
Successes and Challenges in City-led Children’s Savings Account Programs
NLC’s Children’s Savings Account Project Highlights

- 2013 Financial Inclusion Scan
- CSA Peer Network
  - Louisville, KY
  - Durham, NC
  - Oakland, CA
  - Garden City, MI
  - Ogden, UT
  - Milwaukee, WI
  - Boston, MA
  - Chelsea, MA
  - San Francisco, CA
  - St. Louis, MO
  - Los Angeles, CA
  - Plainfield, NJ
  - Pittsburgh, PA

- CSA Learning Collaborative
- Financial Inclusion Systems and City Leadership (FISCL)
City Scan on Financial Inclusion Efforts: A National Overview

CITIES WITH FINANCIAL INCLUSION PROGRAMS IN PLACE

FINANCIAL INCLUSION AS PRIORITY FOR CITY LEADERSHIP (percent of cities)

- Mayor: 47%
- City Manager: 30%
- City Council: 41%

Note: 118 cities, one respondent per city. Respondents reported that “helping residents achieve greater financial stability” was a high or top priority for city leaders.

FIGURE 5. FINANCIAL INCLUSION PROGRAMS IN OPERATION AND PLANNING

- VITA/EITC outreach
- Benefits Access
- Financial Ed
- Homeownership
- Bank Acct
- Savings
- Foreclosure Prevention
- Improving Credit
- Debt Reduction
- Youth Programs
- FAFSA
- Small dollar loans
- Children’s Savings Acct.

Note: 118 cities, one respondent per city.
## Location of Financial Inclusion work in City Agencies

<table>
<thead>
<tr>
<th>CITY</th>
<th>NAME OF OFFICE</th>
<th>LOCATION</th>
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</thead>
<tbody>
<tr>
<td>BOSTON, MA</td>
<td>Office of Financial Empowerment</td>
<td>Mayor’s Office</td>
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<tr>
<td>CHICAGO, IL</td>
<td>Office of Financial Inclusion</td>
<td>City Treasurer’s Office</td>
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<tr>
<td>COLUMBIA, SC</td>
<td>Office of Family Financial Stability</td>
<td>Community Development Department</td>
</tr>
<tr>
<td>LANSING, MI</td>
<td>Office of Financial Empowerment</td>
<td>Mayor’s Office</td>
</tr>
<tr>
<td>LOUISVILLE, KY</td>
<td>Advocacy and Empowerment Division</td>
<td>Department of Community Services</td>
</tr>
<tr>
<td>MIAMI, FL</td>
<td>Office of Economic Initiatives/Access Miami Jobs</td>
<td>Mayor’s Office</td>
</tr>
<tr>
<td>NEW YORK CITY, NY</td>
<td>Office of Financial Empowerment</td>
<td>Department of Consumer Affairs, Mayor’s Office</td>
</tr>
<tr>
<td>SAN ANTONIO, TX</td>
<td>Family Assistance Division</td>
<td>Department of Human Services</td>
</tr>
<tr>
<td>SAN FRANCISCO, CA</td>
<td>Office of Financial Empowerment</td>
<td>City Treasurer’s Office</td>
</tr>
<tr>
<td>ST. PETERSBURG, FL</td>
<td>Office of Urban Affairs</td>
<td>Mayor’s office</td>
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CSAs can help a family save for their child’s first assets

Creates a savings mindset and culture of savings

Children have better educational outcomes if they have savings set aside

Supports the financial health of families city-wide
Key Challenges to running a city-led CSA

- Developing a solid infrastructure to operate the program:
  - Partnering with financial institutions
  - Securing program resources
- Connecting to local post-secondary success initiatives
- Basic resource sharing
Elected Official Engagement Around CSAs

Mayoral Support:
• Mayor Bernero, Lansing, MI
• Mayor Walsh, Boston, MA
• Mayor Bell, Durham, NC
• Mayor Nancolas, Caldwell, ID
• Mayor Schaaf, Oakland, CA

City Treasurer Support:
• Tishaura Jones, St. Louis, MO
• Jose Cisneros, San Francisco, CA
Is your city interested in exploring a CSA?

Resources:

- NLC’s City Scan on [Financial Inclusion Efforts: A National Overview](#)
- [NLC’s CSA website](#) with city profiles
- [Join the CSA Peer Network](#)
- If you have additional questions, please contact Jamie Nash [nash@nlc.org](mailto:nash@nlc.org)
Kindergarten to College

Carol Lei
Program Manager
Office of Financial Empowerment
City and County of San Francisco
SAN FRANCISCO’S
KINDERGARTEN TO COLLEGE
SF Office of Financial Empowerment

Our mission is to use the strength and influence of City Hall to enable more low-income San Franciscans to succeed in the financial mainstream:

- Healthy Financial Products and Services
- Financial Education and Information
- Encouraging Savings and Asset Building
- Combating Predatory Practices
In Spring 2011, the City and County of San Francisco launched the first universal matched Children’s Savings Account (CSA) program in a public school system in the country. San Francisco’s Kindergarten to College initiative opens a savings account for all children entering kindergarten in the City’s public school district, putting students on a path to college from the first day of school.
PROGRAM GOALS

• **Create a college going culture.** A child with a college savings account in any amount is significantly more likely to attend college than one without, regardless of income, race or academic achievement.

• **Reduce financial exclusion.** One in three San Francisco children are born into families with no savings or assets of any kind, one in two for African American and Latino children.

• **Increase Financial Literacy.** K2C is the vehicle that incorporates financial education into our school classrooms.

• **Leverage private investment in San Francisco families.** K2C leverages private funds for savings matches and help families earn money for college at significantly higher rates than they can earn by saving on their own.
PROGRAM DESIGN

Designed to reach the main success factors identified for CSAs:

1. Auto-enrollment
2. Universality
3. Publicly funded seed deposit
4. Matched savings opportunities
5. Range of deposit options
6. Financial education
THE BASICS

• ALL kindergarteners and new students in program years in an SFUSD school AUTOMATICALLY receives a college savings account at Citibank with $50 from the City of San Francisco.

• One time additional $50 available for students in the National School Lunch program (Free/Reduced Lunch).

• Families can contribute to the accounts by mail, in-branch, by direct deposit or online.

• Financial education is provided by schools to students.

• K2C accounts will not affect eligibility for public assistance.

• There are no hidden fees or charges.

• Funds contributed by the family can be returned, but incentives will not be distributed.
MATCHES AND INCENTIVES

• Limited to activities linked to financial behavior, and verifiable by the school district or financial partner

• All matches and incentives provided through philanthropy.

• Every family is eligible for a $1:$1 match for the first $100 in savings.

• Families making six months of regular contributions, receive a $100 “Save Steady” bonus

• Other incentives will be considered on an annual basis, contingent on funding and program goals
PARTNERSHIPS

City and County of San Francisco / OFE
  • Funding in City Budget
  • Tax ID
  • Program management

Citibank
  • Banking services

San Francisco Unified School District
  • Student information
  • Financial Education

Funders
  • Incentives

Community partners
  • Outreach / Thinking partner
K2C Data Flow

- **SFUSD**: Student information
- **CCSF**: Basic student data to open accounts
- **Citibank**
K2C Data Flow

SFUSD

Student information

CCSF

Basic student data to open accounts

Welcome kits with account numbers

Citibank

Accounts opened. CCSF tax ID used.

Families
K2C Data Flow

SFUSD
- Student information
- Additional student info requested based on consent forms YES

CCSF
- Basic student data to open accounts
- Accounts opened. CCSF tax ID used.
- Welcome kits with account numbers
- Tracking, queries, updates, & reports

Citibank
- View accounts online

Families

Welcome kits with account numbers
TO DATE (As of October 1)

- 90 schools
  - 25% 6th graders
  - 50% 5th graders
  - 100% 1st-4th graders
  (All kindergarten and new students in above grades to be added in November)

- 21,600 accounts – 6,000 to be added, 1,000 may be closed

- 39,000+ deposits by 3,600+ families (17%)
  - 50.1% of savers qualify for the National School Lunch program

- $3.9 M in accounts
  - $2+ million deposited by families
ENGAGEMENT

- Community Partners
- Schools
  - Orientation
  - Back to School nights
  - School events (PTA meeting, festivals, etc.)
- Community events
- Classroom field trips
- Adult field trips
- K2C School Scholarships
- Teacher Professional Development workshops
- Volunteer information sessions, School Ambassadors
- Languages supported
- 24/7 information access (311, email, website)
GOING FORWARD

- Redesigned welcome kits
- Welcome back kits
- “College kits” at all elementary schools
- Research work with University of Kansas
- Integration with community partners’ and SFUSD’s parent engagement efforts (online registration example in parent workshops)
- Building “Ambassador” volunteers
- Supporting most vulnerable students – homeless, foster, incarcerated parents
College Kids

Erin Thiemann
College Savings Account Coordinator
St. Louis Treasurer’s Office
City of St. Louis
COLLEGE KIDS

- Treasurer Tishaura Jones elected in 2013
- BOA passed ordinance creating the Office of Financial Empowerment
- City champions: Mayor Francis Slay, Comptroller Darlene Green, Superintendent Kelvin Adams
- Program operates out of the Office of Financial Empowerment
- MOU with Saint Louis Public Schools (district) and separate MOUs with each charter
College Kids is a children's savings account program for kindergartners at St. Louis City public or charter school. All students are automatically enrolled. Parents may opt-out if they do not wish to participate. College Kids helps children save for college and provides access to safe and affordable financial services.

Deposit-only savings accounts are automatically opened and seeded with $50 from the Treasurer's Office to jumpstart college savings.

For parents who sign up, students earn additional incentives for perfect attendance.

Students receive bonus deposits when their parents/guardians participate in financial empowerment courses in-person, online, or via a smartphone app.

Deposits made by family and friends are matched dollar for dollar up to the first $100.
PARTNERSHIPS AND DATA SHARING

• Holds all 3,143 (soon to be 6,000+) accounts; hosts family events; shares all deposit activity in daily report

• Fiscal agent; provides fundraising matches and platform

• Campaign for Every Kid’s Future aims to connect 1.4 million children to a CSA by 2020

• SLPS and MCPSA share student enrollment, basic demographic, and attendance data

• Provided advisory support for program creation and ongoing research and best practices; beginning evaluation and research project

• Provides language-appropriate and context specific financial education for College Kids families
_LINKING COLLEGE KIDS FAMILIES TO RESOURCES_

- Attending Lunch and Learns at the OFE
- Receive a copy of credit report and explanation
- One-on-one financial coaching via Operation HOPE
- Bank on Save Up
- Referrals to down payment assistance/housing programs
- Additional products at 1st Financial (114 accounts)
- Partnership with NABA & VITA sites
- Matched savings via EARN
OPERATIONS

FUNDING
• Seed deposits funded by parking residuals; $180,000 appropriation from Treasurer’s Office
• All incentives privately funded through individual and corporate philanthropy
• Restricted funding via grants for financial education

MARKETING
• Opt-out structure; welcome packets sent to every child via school
• Attendance incentive is opt-in (FERPA-protected data)
• School-based outreach:
  • Back to school events
  • Parent Teacher Conferences, PTO meetings
  • Spring Concerts/performances
  • Kindergarten Graduation
• Community outreach:
  • Faith-based outreach
  • Neighborhood canvassing
  • Community champions
  • Social service agencies and non-profits
BEST PRACTICES AND RECOMMENDATIONS

• In-person outreach yields better results than written/electronic communication

• Identify champions in neighborhoods and schools to drive participation

• Offer ways for families to engage with the accounts if deposits aren’t an option today

• Timing can matter more than proof of concept – seize a political opportunity!

• Incentive management and sustainability - offer incentives where data already exists

• Stay in contact with existing programs or similar cities

Erin Thiemann       thiemanne@stlouis-mo.gov       314-612-1686
PROMISE INDIANA
COMMUNITY-DRIVEN / STATE-SUPPORTED
OUR BELIEF

We believe the trajectory of every child’s life, regardless of situational limitations, should be determined by their potential.
When We Grow Up

Class of 2026
SHAPING IDENTITY

Champions

College Savings

COLLEGE SAVER IDENTITY

College & Career Discovery

Parental Expectations

Awareness
When I grow up I want to be

- SWAT
- Magician
- Scuba Diver
- Scientists
“WALK INTO MY FUTURE”
CHAMPION PROCESS
“Social entrepreneurs identify resources where people only see problems. They view the villagers as the solution, not the passive beneficiary. They begin with the assumption of competence and unleash resources in the communities they're serving.”

DAVID BORNSTEIN, AUTHOR OF *HOW TO CHANGE THE WORLD: SOCIAL ENTREPRENEURS*
Keep your EYES on the future
REIMAGINE SCHOLARSHIPS

LEARNING GOALS

SAVINGS GOALS

COLLEGE-GOING ACTIVITY GOALS

PROMISE SCHOLARSHIPS
PILOT COMMUNITIES

- July 2012: Introduced to the power of asset building
- March 2013: Wabash County launch (Purple)
- March 2014: LaGrange, Noble, Whitley launch (Purple)
- March 2015: Howard, Jay, Kosciusko, Steuben launch (Blue)
- March 2016: Benton, Blackford, Dearborn, Fulton, Marion and Marshall launch (Red)
NUMBERS

Our Reach
14 counties in Indiana
43 school districts
105 schools
886 classrooms
20,378 students

Our Activation
10,000+ CollegeChoice
529 accounts
35%-55% deposit activity
$780,683 in savings (First 8 counties)
Audience Q&A

What questions do you have for the presenters?

Please share them in the chat box!
Contact Information

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Phil Maurizi, Wabash County YMCA
pmaurizi@wabashcountyymca.org
CSA Resources

Investing in Dreams
cfed.org/programs/csa/investing_in_dreams.pdf

Campaign for Every Kid’s Future
Resource Page
http://savingsforkids.org/resources

CSA Information & Directory
cfed.org/programs/csa
Join the Campaign for Every Kid’s Future!

Go to savingsforkids.org

Join today to help achieve our vision of 1.4 million Children’s Savings Accounts by 2020!

Thank you!