Welcome

Shira Markoff
Associate Director,
Children’s Savings
Prosperity Now

www.savingsforkids.org
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

• If you experience any technical issues, send us an email at gotomeeting@prosperitynow.org

**Trouble dialing in?**
Just listen through your computer with speakers or headphones!
Our mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.

(formerly CFED)
Campaign for Every Kid’s Future

Join today to help achieve our vision of expanding CSAs to more children across the US!
Objectives of Today’s Webinar

- Highlight findings from the CSA Program Survey
- Share commonalities and differences among CSA programs across the country
- Discuss trends in the field and implications for programs
- Show how *The Movement Takes Off* can make the case for CSAs
Today’s Agenda

• Overview of CSA Program Survey
• Highlights from 2018 CSA State of the Field brief
• Discussion of Implications and Trends
• Audience Q&A
• Next Steps and Close
Today’s Speakers

Shira Markoff
Associate Director,
Children’s Savings
Prosperity Now

Diego Quezada
Program Associate,
Children’s Savings
Prosperity Now

Erin Thiemann
Consultant,
Children’s Savings
Prosperity Now

www.savingsforkids.org
The Children’s Savings Account (CSA) movement continued to gather momentum in 2018. CSA programs provide long-term savings or investment accounts with incentives to help children build savings for the future, typically for postsecondary education. Nine new programs launched in 2018, including the pilot Keystone Scholars program in Pennsylvania, which expanded across the state in January of 2019 and will be the largest CSA program in the country by annual enrollment. Based on Prosperity Now’s annual CSA Program Survey, this document offers a snapshot of the field and illustrates trends in CSA program models.¹

This year, we have added an alternate analysis for some features, showing the breakdown by the number of participants, in addition to the number of programs. This gives a more accurate representation of the field, since the largest programs account for the vast majority of children with CSAs.

**CSAs BY THE NUMBERS**

- **65** programs served
- **457,000** children in
- **34** states and DC

[1] Prosperity Now’s annual CSA Program Survey
Prosperity Now's CSA Program Survey

• Annual survey; first conducted in 2016
• Survey fielded August-September 2018
  • 50 programs responded
  • Included data for 15 other programs from public info, partners and past surveys
• New features
  • Question on long-term goals
  • Alternate analysis by participant
CSA Program Criteria

• **Long-term** savings or investment accounts for children (0-18)
• Used for asset building purpose (usually *postsecondary education*)
• Provide **incentives** to build savings (e.g., seed deposit and matches)
• Generally **restrict account withdrawals**
• In addition, programs had to be:
  • In operation OR
  • In development and planning to enroll participants by the end of 2018
Growth of the Field

Total Number of CSA Programs, 2007-2018
Participating Children

- Over **457,000 children** have a CSA as of end of 2018
  - 20% increase from 2017
- 83% of total participants enrolled in 6 largest programs

**Total Number of Children with a CSA, 2016-2018**

- 2016: 313,000
- 2017: 382,000
- 2018: 457,000
Enrollment

- 75% of programs use opt-in enrollment; 25% use opt-out
- 80% of participants are in opt-out enrollment programs
Account Type

- 52% of programs use 529s to hold funds; 46% use custodial savings accounts
- 84% of CSA participants have funds held in 529s; 15% in savings accounts
Incentives

- 66% of programs offer at least two types of incentives
- Benchmark incentives rose from 41% in 2016 to 46% in 2018.
- $50 is the most common initial deposit offered

![Types of Incentives Used by Program]

<table>
<thead>
<tr>
<th>Types of Incentives</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Deposit</td>
<td>74%</td>
</tr>
<tr>
<td>Savings Match</td>
<td>64%</td>
</tr>
<tr>
<td>Benchmark Incentive</td>
<td>46%</td>
</tr>
<tr>
<td>Prize-Linked Savings</td>
<td>28%</td>
</tr>
</tbody>
</table>
Incentives, Continued

Types of Incentives Used by Participant

- Initial Deposit: 94%
- Savings Match: 83%
- Prize-Linked Savings: 32%
- Benchmark incentive: 22%

n = 443,853
# Primary Long-Term Goal

## Primary Long-Term Goals of CSA Programs

<table>
<thead>
<tr>
<th>Goal</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase the Number of Young People who Complete College or Career Training</td>
<td>33%</td>
</tr>
<tr>
<td>Increase Higher Education Expectations/Aspirations</td>
<td>29%</td>
</tr>
<tr>
<td>Promote Economic Mobility and/or Asset Building for Young People</td>
<td>12%</td>
</tr>
<tr>
<td>Build the Financial Capability of Children</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
</tr>
<tr>
<td>Build the Financial Capability of Families</td>
<td>8%</td>
</tr>
<tr>
<td>Improve Child Development and/or Health Outcomes of Children</td>
<td>2%</td>
</tr>
</tbody>
</table>

n = 49
Discussion

Erin Thiemann
Consultant, Children’s Savings
Prosperity Now

Diego Quezada
Program Associate, Children’s Savings
Prosperity Now
Implications

• CSA programs should pursue both public and private funding sources to create scalable CSA programs.

• Automatic enrollment facilitates the operation of large-scale programs and makes programs more inclusive.

• More research is needed on incentives so that programs will be able to select and incorporate incentives that are most effective for their participants.
Looking Ahead

• Major program launches
  • PA – Statewide CSA program launched on 1/1/2019
    • Approximately 140,000 children per year
  • Milwaukee – Launching soon
  • St. Paul – Launch expected on 1/1/20
  • MA – SeedMA expanding statewide, at-birth in 2020
  • Los Angeles – Launch expected in fall 2020
Audience Q&A

What questions do you have?
Share them in the Questions box!
Today’s Speakers

Shira Markoff  
Associate Director, Children’s Savings  
Prosperity Now

Diego Quezada  
Program Associate, Children’s Savings  
Prosperity Now

Erin Thiemann  
Consultant, Children’s Savings  
Prosperity Now
Next Steps

• Share your feedback & suggestions in our survey
• Explore our many resources
• Join the Campaign for Every Kid’s Future
• Attend our upcoming webinars
• Stay in touch!
Read The Movement Soars Ahead

Download PDF under “Handouts” or from the Prosperity Now website.

The Movement Soars Ahead

The Children’s Savings Account (CSA) movement continued to gather momentum in 2018. CSA programs provide long-term savings or investment accounts with incentives to help children build savings for the future, typically for postsecondary education. Nine new programs launched in 2018, including the pilot Keystone Scholars program in Pennsylvania, which expanded across the state in January of 2019 and will be the largest CSA program in the country by annual enrollment. Based on Prosperity Now’s annual CSA Program Survey, this document offers a snapshot of the field and illustrates trends in CSA program models.

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CSAs BY THE NUMBERS

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<th>CHILDREN Served</th>
<th>STATES AND DC</th>
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As of the end of 2018

www.savingsforkids.org
CSA Resources

CSA Directory/Map
www.prosperitynow.org/map/childrens-savings

Investing in Dreams (Step-by-step CSA design guide)
www.prosperitynow.org/topics/savings

Campaign Website (FAQs, program info, policy, research)
www.savingsforkids.org
Plug in to the Prosperity Now Community

Sign up for listservs and working groups, volunteer to facilitate peer discussions, serve in a leadership role and more!

- Campaign for Every Kids Future — Children’s Savings Accounts
- Adult Matched Savings Network
- Racial Wealth Equity Network
- Financial Coaching Network
- Taxpayer Opportunity Network
- Medical Financial Partnership Network
- Affordable Housing Network
- Innovations in Manufactured Housing (I’M HOME) Network

Visit any of the networks above at prosperitynow.org/get-involved to get started.
Take action with Prosperity Now Campaigns!

Sign up to stay informed about the latest developments and opportunities to take action by joining one of our four federal policy campaigns.

**HOMEOWNERSHIP**
Homeownership is key to building wealth. Together, we will advocate for products and policies that provide more affordable homes to more people.

**CONSUMER PROTECTIONS**
Consumer protections create fairer, more transparent financial markets. Together, we will ensure consumers keep the safeguards they deserve.

**FINANCIAL SECURITY**
Safety net programs help protect vulnerable individuals and families from falling deep into poverty. Together, we will protect programs like SNAP, IDAs and more to help those in need when they need it most.

**TURN IT RIGHT-SIDE UP**
The vast majority of tax incentives go to those at the top, not to those who need it most. Together, we will turn our upside-down tax code right-side up.

Visit [https://prosperitynow.org/take-action](https://prosperitynow.org/take-action) to learn more and join.
Stay in Touch!

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Thank You!

*Please take our survey following the webinar*