



Office of Financial Empowerment
Treasurer, City of St. Louis

City of St. Louis
Treasurer's Office
College Savings Accounts

Meet “College Kids”

- This fall, **every kindergarten student** in St. Louis Public Schools and Charter Schools will have a college savings account opened in their name
- The account is a deposit-only custodial savings account held by the Treasurer of St. Louis
- Each individual student is named as a beneficiary on their own account
- Anyone can deposit money into the account
- Withdrawals to the account are restricted to postsecondary expenses and require approval from the CK Program

Program Goals

- Make college accessible to our City's students!
- Create culture of asset-building for low and moderate income families
- Increase utilization of and access to healthy financial products & services
- Boost financial knowledge and capacity of City residents & families
- Leverage private investment in our City's children

Incentives and Matches

- Initial \$50 deposit “seeded” by the Treasurer’s Office
- Smart Saver 1:1 match up to \$100 for first \$100 saved
- Weekly Perfect Attendance bonus of \$1/week
- Participation in financial education courses in person, online or through smartphone; able to earn up to \$50



Account Management

- Participants can log into account portal through our website or smartphone app; updated nightly from financial institution
- Participants will be able to see their own contributions and program earnings (matches and incentives) separately
- Non-program funds are owned by the participant and **College Kids Program** funds must be used for qualifying expenses by age 25
 - Remaining Program funds will be rolled back into the Program's account for current participants' incentives and matches

Withdrawing Funds

- Students submit formal request and documentation for approved post-secondary expenses
 - Tuition, fees, books, equipment, room and board (if at least half-time student)
 - Payment is issued to third party (university, technical college, vocational training center, student bookstore, etc.)
- Up to three emergency withdrawals
 - Medical care, prevent eviction or foreclosure of student's primary residence, meet basic expenses following job loss
 - Only Non-program funds can be withdrawn for emergencies

Eligibility

- Automatic enrollment for 2015-2016 school year kindergarteners
- Must attend an eligible school by October 1st
- Parents can apply to have an account opened if their child was not enrolled automatically
- Accounts remain open if child moves out of the City schools, but are not eligible to earn additional incentives and matches



What can \$50 do?

- Children with **\$500 or less** saved for college are **3 times** more likely to enroll and **4 times** more likely to graduate¹
- The combination of CSAs and financial education (financial capability) is believed to have benefits to education and finances across the life course²
- Mentally designating savings for school leads to the formation of a “college saver identity” and indicates that the child has identified **saving** as a strategy to attain the future of college attendance³
- Assets have positive social, psychological, and civic effects that are **independent** of the effects of income⁴



Current Partners

Washington
University
Center for Social
Development

1st Financial
Federal Credit
Union

City of St.
Louis
Treasurer's
Office

VistaShare



Wells Fargo

St. Louis
Charter
Schools

St. Louis
Public Schools
District

1:1 Fund

Sustainability & Growth

- Initial “seed” deposit of \$50 is provided from the Treasurer’s Office
- Currently offering additional incentives and matches totaling \$200 for the first year
- Hope to continue with opportunities for 1:1 matches and performance or behavior-based incentives throughout K-12, potentially:
 - Good grades bonuses
 - Congratulatory contributions for passing AP courses
 - Completing college readiness programs
 - Matches for savings from summer employment for students
 - Opportunities for tax time savings for parents and guardians



School Partnership

- Data tracking and sharing:
 - Student information
 - Monthly attendance
- Outreach strategies
 - Family events
 - Student assemblies
 - Newsletters
- Financial education within the classroom
 - Established incorporation
 - What would you like to see?
- Field trips
- Competitions
- Other ideas?



Resources

1. Assets and Education Initiative. (2013). Building Expectations, Delivering Results: Asset-Based Financial Aid and the Future of Higher Education. In W. Elliott (Ed.), Biannual report on the assets and education field. Lawrence, KS: Assets and Education Initiative (AEDI).
2. Elliott, W., Destin, M., & Friedline, T. (2011). Taking stock of ten years of research on the relationship between assets and children's educational outcomes: Implications for theory, policy, and intervention. *Children and Youth Services Review*, 33(11), 2312-2328.
3. Elliott, W. (2013). Small-dollar children's savings accounts and children's college outcomes. *Children and Youth Services Review*, 35(3), 572-585.
4. Sherraden, M. (1991). *Assets and the poor: A new American welfare policy*. Armonk, NY: M.E. Sharpe.
5. Economic Modeling Specialists Intl. (2014). Where value meets values: The economic impact of community colleges.
6. St. Louis Graduates. (2012). One student at a time: Advancing the goal of degree completion in the St. Louis region.
7. St. Louis Regional Chamber & Growth Association. (n.d.). Talent: The future of metro St. Louis is the talent economy.
8. St. Louis Regional College Access Pipeline Project. (2011). Getting ready, getting in and getting through. St. Louis.

Any questions?

