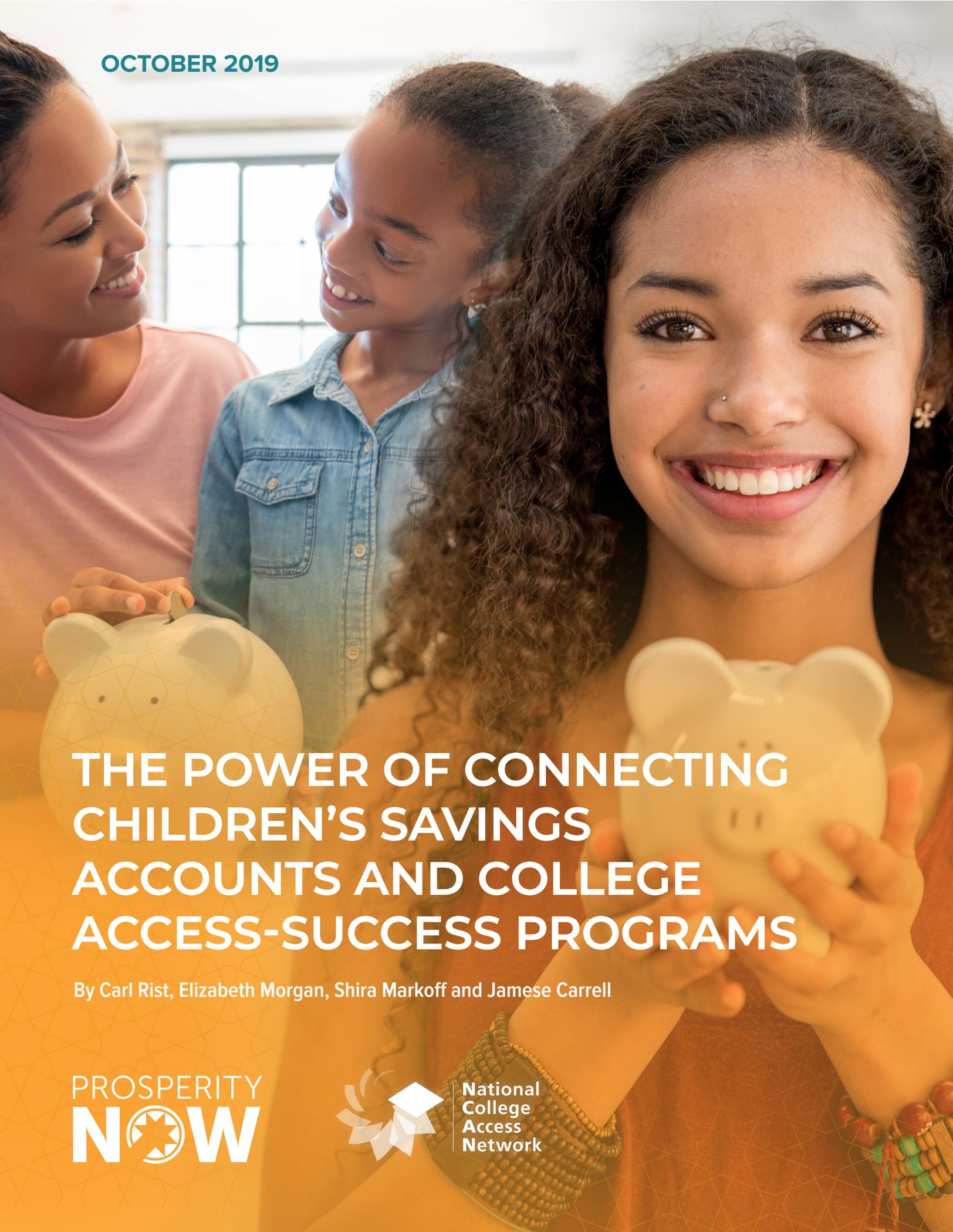


OCTOBER 2019

A photograph of a woman and two young girls smiling and holding piggy banks. The woman is on the left, wearing a pink shirt, and is holding a large white piggy bank. The girl in the middle is wearing a denim shirt and is also holding a white piggy bank. The girl on the right is wearing a brown top and is holding a white piggy bank. They are all smiling and looking at each other. The background is a bright window with a grid pattern.

# THE POWER OF CONNECTING CHILDREN'S SAVINGS ACCOUNTS AND COLLEGE ACCESS-SUCCESS PROGRAMS

By Carl Rist, Elizabeth Morgan, Shira Markoff and James Carrell

PROSPERITY  
**NOW**



National  
College  
Access  
Network



### **ABOUT PROSPERITY NOW**

Prosperity Now believes that everyone deserves a chance to prosper. Since 1979, we have helped make it possible for millions of people, especially people of color and those of limited incomes, to achieve financial security, stability and, ultimately, prosperity. We offer a unique combination of scalable practical solutions, in-depth research and proven policy solutions, all aimed at building wealth for those who need it most.



### **ABOUT THE CAMPAIGN FOR EVERY KID'S FUTURE**

The Campaign for Every Kid's Future, which is led by Prosperity Now, is a collaboration between policymakers, practitioners, researchers, funders, child advocates and others dedicated to expanding Children's Savings Accounts (CSAs) so that all children and families, especially the most vulnerable, have the opportunity to build savings for a future that includes postsecondary education.



*Building Connections. Advancing Equity. Promoting Success.*

### **ABOUT NCAN**

Only 35 percent of high school students from low-income backgrounds obtain a postsecondary degree or credential by age 26, compared to 72 percent of students from high-income families. Since 1995, NCAN has advanced policies and practices that close this gap. With its members and partners, NCAN promotes and supports proven strategies that result in significantly higher rates of postsecondary entrance and completion for students of color, students from low-income backgrounds, and other students historically underrepresented in higher education.

## Introduction

Since the beginning of the children's savings movement in the early 2000s, saving for postsecondary education has been the primary goal of most Children's Savings Account (CSA) programs. According to Prosperity Now's most recent *State of the Children's Savings Field 2018* report,<sup>1</sup> the majority of CSA programs (62%) indicated that their primary goal is focused on postsecondary education—either increasing the number of young people who complete college or career training (33%), or increasing higher education expectations (29%).

Given this focus, there has been growing collaboration in recent years between the CSA movement and the college access and success field that centers around the intersection of these closely related initiatives—supporting low-income students and students of color to aspire to postsecondary education, helping them navigate the college and financial aid application processes and ensuring that they enroll in an institution where they are likely to succeed and persist until graduation.

Yet, while college success organizations and CSA programs share a common goal of increasing college-going and college graduation rates, many CSA programs have not made a connection to a local college access-success provider(s) nor have they integrated college access and success best practices into their program. At the same time, most college access-success providers understand the significant financial hurdles of paying for college and are interested in engaging in strategies that support their participants savings efforts to help meet that challenge. However, they may not have a CSA program in their community or the bandwidth to figure out how to create one.

The purpose of this report is to demonstrate the power of connecting CSAs to college access-success programs and show that, when done together, they produce greater outcomes. First, we briefly describe these closely related fields and explain the merit of partnerships between CSA initiatives and college access and success programs. The report will then illuminate the value of collaboration between these fields via four case studies highlighting organizations that have already successfully integrated a CSA program with college access services. Finally, the report concludes with two sets of recommendations:

- For CSA programs—How to connect with providers in the college access-success field and suggestions for incorporating research-based, college access milestones into existing or planned savings incentives.
- For college access-success organizations—How to find CSA partners and, when none are available, a simple process for creating a basic CSA model.

## Background on CSA and College Access-Success Programs

### *About CSA Programs*

Children's Savings Accounts (CSAs) are long-term savings or investment accounts that help children and their families, especially those from low-income families, build savings for the future. To help accounts grow, accountholders receive incentives such as initial deposits and savings matches from third parties (e.g. government entities or nonprofits). Family, friends and the children themselves also make contributions.

Account funds are restricted until children reach adulthood and, as noted above, savings are generally used to pay for postsecondary education, though some programs allow other asset purchases such as a home or a small business. The goal of most CSA programs is to build a college-going identity in children, provide some of the financial means to pursue postsecondary education and increase enrollment in and completion of postsecondary education.

Based on the most recent survey of CSA programs, 457,000 children in 34 states and the District of Columbia have a CSA.<sup>2</sup> CSA programs range in size from small, community-based programs to large-scale programs that enroll all children in a particular city or state.

A randomized control trial in Oklahoma found that having a CSA with an initial deposit of \$1,000 results in improved early social-emotional development among disadvantaged children, improved parental expectations for their children's education and lower maternal depression rates.<sup>3</sup> In addition, research by Dr. William Elliott from the University of Michigan indicates that low-income children with \$500 or less in a savings account dedicated to college are three times more likely to go to college and four times more likely to graduate than their peers without dedicated savings.<sup>4</sup>

CSAs are a relatively recent innovation that emerged in the early 2000s from the larger "asset-building" movement. This movement was sparked by the publication of *Assets and the Poor*<sup>5</sup> by Michael Sherraden and proceeds from the recognition that, in a market economy, assets (or capital) are fundamental to economic success and mobility. Yet, this acknowledgement is tempered by the reality of deep gaps in wealth ownership among American households—whether measured across racial, gender or socio-economic lines. Thus, the asset-building movement has advocated for a rethinking or reorientation of social policy to focus not only on income support policies to help low-income households get by day-to-day, but also on asset-building policies to help low-income households acquire savings and get ahead through important lifetime investments such as education, homeownership and business start-up.

## Why Wealth Matters

Wealth (or assets) refers to the total value of financial resources held by a household minus its liabilities. Typical sources of wealth include checking and savings accounts, certificates of deposit, mutual funds, stocks and bonds, and equity in a home or business. Wealth provides a financial cushion for unexpected events, such as a job loss or unforeseen medical expenses, as well as enabling individuals to take advantage of long-term opportunities, such as buying a home, starting a business or going to college.

The distribution of wealth in the United States is highly unequal. In 2016, the wealthiest 5% of households controlled two-thirds of the nation's net worth.<sup>6</sup> What's more, there are large wealth gaps across key demographic groups. The median White household has \$140,500 in wealth compared to only \$6,300 for the median Latino household and \$3,400 for the median Black household.<sup>7</sup> On average, women only own 32 cents worth of assets for every dollar owned by men.<sup>8</sup> This wide disparity in access to financial resources has a large impact on college completion rates, among other things. According to the latest Pell Institute report, only 13% of students from the lowest income quartile completed a bachelor's degree by age 24, compared to 62% of students from the top income quartile.<sup>9</sup>

## About College Access and Success

The college access field has roots going back to the Higher Education Act of 1965 (HEA)<sup>10</sup>, which created the forerunner of the Pell Grant, federal student loans, and the beginning of what would come to be known as the TRIO and GEAR UP programs to support low-income students in accessing higher education. With federal funding, TRIO and GEAR UP programs help students understand how to prepare for, apply to and pay for higher education, as well as help them persist in college once enrolled. Today, more than 1.5 million low-income, first-generation students and students with disabilities—from sixth grade through college graduation—are served by more than 3,200 TRIO and GEAR UP programs nationally, many of which are housed at colleges and universities.

Around the same time, new community-based nonprofit organizations, such as the Scholarship Foundation of Santa Barbara and the Cleveland Scholarship Program (later renamed College Now Greater Cleveland), began awarding college scholarships. When few low-income students applied for scholarships, organizations like these determined that these students needed more than just money for college. Students who would be the first in their families to attend postsecondary institutions also needed advising about why to attend college, where to attend college, how to pay for it and support in applying to college.

The model of community-based nonprofit college access programs accelerated into the 1980s and 1990s, and in 1995, nine of these organizations banded together to form the National College Access Network (NCAN) with the goals of learning from one another and sharing their missions and strategies with new communities. While these organizations originally focused on helping students apply to and enroll in higher education (“college access”), in the early 2000s, they realized that many students were dropping out before graduation. Thus, began the shift to include “college success,” meaning that students needed continued support to stay enrolled and complete their college degrees. Now, the ultimate measure of any “college access” initiative is whether a student both enters and completes a postsecondary course of study.

### The Impact of College Access-Success Programs

U.S. students that are historically underrepresented in higher education continue to experience disproportionately lower rates of postsecondary success today, although some progress has been made, particularly in college enrollment. For example, a low-income student is still 29% less likely to enroll in postsecondary education directly after high school than a high-income student.<sup>11</sup> Ultimately, only 35% of low-income U.S. high school students obtain a postsecondary credential by age 26, compared to 72% of high-income students.<sup>12</sup>

With the right support, however, low-income students and students of color succeed at similar rates to wealthier, White students. As of 2018, students from low-income schools served by NCAN member organizations are 26% more likely to enroll in postsecondary education directly after high school and 42% more likely to complete a credential or degree than students from low-income high schools nationally.<sup>13</sup> A 2014 meta-analysis of research on TRIO and other college access-success programs found that they increased college enrollment by 12%.<sup>14</sup>

Since 1995, NCAN's membership has grown from nine to more than 500 organizations across the country serving more than two million students. Additionally, there are thousands more nonprofits, scholarship providers, community foundations, youth-serving organizations, colleges and universities, and K-12 schools that use college access and success strategies. In almost any community, you can find organizations that are putting effective postsecondary access and success practices to work for students—even if they don't call themselves college access-success program.

## *Why CSA Programs and College Access-Success Efforts Are Better Together*

Both CSA initiatives and college access-success programs represent important strategies for expanding access to postsecondary education and promoting college completion for low-income students and students of color. Moreover, a growing evidence base supports the impact of both strategies, though neither is a “silver bullet” for increasing postsecondary attainment rates for underserved populations, and both could benefit from mutual collaboration.

Research indicates the impact of savings in CSAs on the social-emotional development of children from low-income households in their early years and on parents' increased expectations for their children's education. Moreover, research suggests that even relatively small amounts (\$500 or less) dedicated to college are associated with increased college-going and completion. Pioneers in the college access-success field learned that students need more than just financial resources and college dreams to achieve college success. Guiding students through the college and financial aid application processes, identifying an institution at which a student is likely to succeed and helping students to persist in college are all critical supports that many low-income students and students of color often lack. College access-success programs provide this vital assistance.

For college access-success programs, research points to the significant difference these programs make in increasing the likelihood that students from low-income high schools will enroll in postsecondary education and complete a credential or degree. At the same time, since most college access-success programs don't start working with students until middle school or later, some students may “give up” on being able to attend college long before they have access to college access-success services. By helping to build college savings and expectations, CSA programs that start at birth or in elementary school can augment college access efforts by reaching kids earlier. What's more, while CSA savings tend to be modest, research (such as the 2012-15 emergency grant program)<sup>15</sup> shows that relatively small dollar amounts can prevent students from dropping out of postsecondary education.

One example of this type of collaboration is the recent merger of [Oakland Promise](#)—which operates two CSA programs along with “future centers” and college scholarships—and East Bay College Fund, a large college access-success program. The merged organization will operate under the Oakland Promise name and will continue to provide CSAs for newborns and kindergarten students, along with college access and success advising and college scholarships. The merger will make it easier for families to access “cradle-to-career” programs.

As this discussion indicates, CSA and college access-success programs complement one other. Integrating the strengths of the other strategy into their own initiatives can help both CSA and college access-success programs increase their impact. The graphic at the end of this paper illustrates how this type of integration can work.

## Models of Collaboration: Four Case Studies of Leading Efforts to Link College Access-Success and College Savings Strategies

Several other innovative programs have successfully integrated efforts to help children and youth build financial resources for college with the non-financial supports necessary to achieve postsecondary access and success. This includes both programs that started off focused just on college access-success and those initially focused more on building savings. These programs vary in many ways, including the terminology used for the financial component—e.g., CSAs, early commitment scholarships, early award scholarships—but all have successfully incorporated college access-success programming with efforts to help students accumulate financial resources for college.

### *“I Have A Dream” Foundation: A Leader in the College Access-Success Field Takes on CSAs*

The “I Have A Dream” Foundation (IHDF) famously launched in 1981 when businessman Eugene M. Lang supported a group of students from his East Harlem childhood elementary school in paying for college. Over the years, more than 200 “I Have A Dream” programs have operated in 28 states, Washington, D.C., and New Zealand, serving 18,000 students.

Guaranteed tuition support remains a core component of the IHDF model, which has evolved to provide students with individualized support in [seven key areas](#) (including academic success, social and emotional life skills and career readiness) to develop the skills and knowledge to succeed in their postsecondary education and beyond. Additional program supports include a [summer college immersion program](#) for middle and high school students as well as a [near-peer mentoring program](#) for students in college. Collectively, these program strategies provide comprehensive college access and success support to students over many years.

IHDF has continually evolved its program model to find the most strategic ways to support students. Today, CSAs have become a key pillar of IHDF’s work at several IHDF sites. In 2013, IHDF first piloted what it now calls its [“DREAM Accounts Program,”](#) in which IHDF students earn college savings account contributions by completing critical, grade-based academic and social milestones on the path to and through college. The program has grown to 600 students at IHDF sites in New York, Iowa, Colorado and Oregon, with more expansion planned. The goals of DREAM accounts are to encourage a college-going mindset in first-generation, low-income students and to allow community members to support a student’s path “to and through college” by making donations to fund accounts.

The DREAM Accounts Program allows students to earn account contributions by completing critical behavioral, academic, and social milestones that align with important college-going markers in the Dreamers’ educational trajectory. The milestones fall into three categories:

- Achievement-based (e.g., a student who earns a 3.0 grade point average or takes the PSAT or practice SAT)
- Equity-based (e.g., attending and actively engaging in IHDF program events), and
- Effort-based (e.g., taking part in community service, such as participating in a march or service project)

All contributions are held in 529 college savings accounts through a unique partnership with My529 (formerly the Utah Educational Savings Plan). My529 has developed a customized savings solution that allows CSA programs to administer their program using My529's platform.

Key features of the IHDF DREAM Accounts:

- IHDF owns the accounts with students assigned as beneficiaries.
- Parents are not required to make additional contributions, and in fact, cannot make contributions to the DREAM account owned by IHDF. Parents may consider opening their own account to contribute savings for their child.
- Because the accounts are owned by IHDF, students do not need to list the funds when they apply for financial aid.
- If a student does not use the funds for college within four to five years after high school graduation, they revert to IHDF to be used for other Dreamers.
- There are no minimum contributions or balance requirements to maintain accounts.
- As milestones are achieved by a student, funds held in a master IHDF account are distributed to the IHDF-owned account for that student. Students can log onto their accounts and see that a deposit was made.
- Students can earn between a maximum of \$1,500 to \$2,500 in deposits. The amounts vary among program sites and depend on current funding.

Since launching, IHDF has opened over 600 DREAM accounts for students at four separate IHDF affiliates. In total, IHDF DREAM Accounts savers have accumulated more than \$115,000 as a result of hitting critical milestones on the path to and through college. In addition, several students have already made withdrawals to use towards higher education expenses, such as tuition, books and purchasing a laptop for school.

### ***Inversant: A Pioneering CSA Program Works With Parents and Families to Promote College Success***

**Inversant** is a Boston-based nonprofit organization whose mission is to ensure that, through parental engagement, every low- and moderate-income family has the resources and knowledge they need to achieve their goals for higher education. Launched in 2009, Inversant founder Bob Hildreth used his finance background to develop one of the early CSA programs. Today, the idea of a matched savings account program for low-income families of high school students is still the core of Inversant's strategy.

Inversant is unique in its focus on parents and families, unlike many college access-success programs that interact primarily with students. To reach families, Inversant works closely with urban school districts in Boston, Chelsea, Lynn and Salem that primarily serve immigrant and low-income families. Inversant helps each family set up a savings account and provides a regular program of information, inspiration, and peer support to build families' knowledge over a period of years and help them fund their children's postsecondary education. At monthly Learning Circles, Inversant facilitators coach parents on a full range of college access-success topics, including standardized testing, higher education options and costs, and the college application process. Inversant also engages with families virtually through an online portal, video library, e-newsletters and social media platforms.

Inversant partners with a local credit union, [Metro Credit Union](#), to offer savings accounts. Inversant chose Metro Credit Union because of the ease in opening and managing accounts, convenient location for families (which allows families to make in-person cash deposits), multilingual staff and Metro's reputation for user-friendliness.

Key features of Inversant's savings accounts offered through Metro Credit include:

- Savings match up to \$1,000.
- No minimum deposit or balance requirement.
- Parents are account holders.
- No fees associated with accounts for families.

Metro Credit Union also provides Inversant with monthly reports, which make it easier to administer families' accounts and review balances.

As of October 2018, Inversant has helped 1,300 families open 1,400 savings accounts worth a total of \$2.3 million, or an average of \$1,643 per account. More than 580 students with accounts have enrolled in higher education so far, with 83% of students entering immediately after high school graduation.

### ***SOAR Virginia: Leading State College Savings Plan Supports Low-income Students With "Early Commitment Scholarships" and College Access Services***

Virginia529 is the biggest 529 college savings plan in the country. With account holders in every state, it manages more than \$62 billion in assets. In addition to its core business of overseeing the money families save for college tuition, Virginia529 launched [SOAR Virginia](#)<sup>®</sup> as a pilot program in 2010 to help make higher education more affordable and accessible to students who face financial obstacles.

SOAR Virginia encourages high school students in Virginia to commit to earning good grades, being good citizens, and pursuing higher education, and in return, rewards them with deposits into a Virginia529 account and services from college access-success providers. Virginia529 refers to SOAR Virginia as an "early commitment scholarship program," rather than a CSA program. Yet, as a long-term investment account with funds dedicated for postsecondary education, and with deposits made by Virginia529 for students who meet their college-going pledge requirements, SOAR Virginia functions, in practice, like a CSA program.

Students can enroll in SOAR Virginia in the fall of their 10th-grade year if they have at least a 2.5 GPA and are eligible for free- or reduced-price lunch. As long as students meet the pledge requirements—such as attending school without regular absences, completing the FAFSA, and participating in community service activities—they'll receive deposits of \$500 a year in 10<sup>th</sup> and 11<sup>th</sup> grades, and \$1,000 in 12<sup>th</sup> grade for successfully completing pledge requirements and graduating high school. As is the case with the IHDF DREAM accounts, families cannot make their own contributions, since the SOAR accounts are owned by Virginia529. However, families are encouraged to open separate 529 accounts to make contributions, if they're interested.

SOAR Virginia partners with Virginia-based college access-success programs like ACCESS College Foundation (ACCESS), GRASP, Project Discovery of Virginia, George Mason University's Early Identification Program, and the Virginia Community College System. All SOAR Virginia scholars benefit from a number of college access services, such as advising on academic preparation for postsecondary education, financial

education, assistance completing college applications, and assistance obtaining financial aid, including completing the FAFSA.

Since launching as a pilot in 2010 that served only about 100 students, SOAR Virginia now works with its college access-success partners to offer SOAR Virginia in one-third of the districts across Virginia.

As of April 2018, SOAR Virginia has served more than 4,800 students, has made over \$5.5 million in early commitment scholarship awards into SOAR accounts, and has distributed over \$1.4 million to SOAR students enrolled in college. In total, 96% of SOAR students completed or are continuing in the program and 84% of students have earned scholarship awards.

### ***Community Foundation of Wabash County: Small Town “Early-Award Scholarships” Serve as National Model for Integrating College Access and College Savings Efforts***

With assets of over \$50 million, the Community Foundation of Wabash County (CFWC) serves the residents of Wabash County, IN, by making grants, investing and safeguarding charitable assets, providing information regarding charitable endeavors and convening citizens to address issues confronting the community. CFWC launched an “early-award” [Promise Scholarship Program](#) in 2016 that provides direct financial awards to students in fourth through eighth grade to help students ultimately pay for a college or career education after high school. By awarding scholarships early—that is, while in school instead of upon graduation—Promise Scholarships function much like a CSA and help students accumulate funds to pay for postsecondary education and encourage a college-going identity.

The Promise Scholarship Program builds on initial efforts by the Wabash County YMCA (in partnership with local public schools) to launch the Wabash County Promise (now part of Promise Indiana), which helped families with children in kindergarten through third grade sign up for Indiana’s CollegeChoice 529 savings plan. The CFWC funded the YMCA program and was subsequently invited by the Charles Stewart Mott Foundation to build on the success of the YMCA’s program by developing the early-award scholarship program.

The Promise Scholarship Program awards scholarships to fourth grade students based on academic activities. For example, a student who completes 100% of their math assignments with 70% proficiency can earn up to \$20 each quarter. As the student progresses into the eighth grade, the awards shift to focus on college-going activities such as completing career inventories, writing mock essays, profiling colleges, conducting mock interviews, and submitting applications for Indiana’s 21st Century Scholars Program. CFWC holds the scholarships in a fund for the benefit of each student until they matriculate at a postsecondary institution.

To be eligible for the Promise Scholarship Program, a parent or legal guardian must open a CollegeChoice529 savings account with the student as the beneficiary. Students can also earn scholarship dollars by saving small amounts:

- Families that save \$20 during a semester also earn a \$20 matching scholarship.
- Families that save \$20 during both semesters of the year receive an additional \$10 bonus.

In total, CFWC provides up to \$830 in scholarships during the five years of the program, and CFWC mails quarterly progress reports and scholarship fund statements to parents.

As of February 2019, the CFWC's Promise Scholarship Program had awarded more than \$200,000 in scholarships to approximately 1,800 students in Wabash County.

## Recommendations

College access-success providers and most CSA programs share a common goal of increasing college enrollment and graduation rates, so the potential for collaboration between these two closely related approaches holds great promise. Moreover, as evidenced by the four model programs described above, there are already solid examples of how this collaboration can work in practice. Nevertheless, despite rapid growth in both fields, integration between college access-success and CSA programs is still the exception, rather than the rule. To encourage greater collaboration, here are two sets of relatively easy-to-implement recommendations—the first for CSA programs to help them integrate best practice principles and concepts from the college access-success field, and the second for college access-success providers to augment their offerings by adding a college savings component. The graphic at the end of this paper provides a further example of how this type of integration can work.

### *For CSA Programs*

Adding best practice features from the college access-success field can be an effective strategy for strengthening CSA programs that focus on post-secondary education. As a first option, we recommend that any CSA program explore partnering with an existing college access-success program in their community. The [NCAN member directory](#) lists local programs. Programs can also connect with their local school district, community foundation, higher education institutions, United Way, Boys & Girls Club, YMCA, National Urban League, or UnidosUS affiliate to ask about local programming.

Second, we recommend that CSA programs interested in using benchmark incentives to encourage behaviors related to college-going use the research-proven college access milestones developed by NCAN. CSA programs should both offer monetary rewards for reaching milestones and work with college access-success programs or other partners to provide the support participants need to complete these milestones. Potential milestones include:

- 9<sup>th</sup> grader enrolls in state-defined college prep curriculum
- 10<sup>th</sup> grader takes PSAT or PreACT
- 11<sup>th</sup>/12<sup>th</sup> grader takes SAT or ACT
- 12<sup>th</sup> grader completes FAFSA
- 12<sup>th</sup> grader completes 1-3 college applications

For a full listing of research-backed college access and success indicators, see NCAN's [Common Measures resources](#).

Third, CSA programs can develop a data-collection strategy that measures their effectiveness using data available through the National Student Clearinghouse, such as:

- The percentage of students who enroll in postsecondary education
- The percentage of students who persist from year-to-year in postsecondary education
- The percentage of students who complete postsecondary education after 6 years

CSA programs may also partner with local school districts or nonprofit organizations with access to this data. Visit the [National Student Clearinghouse website](#) to learn more about the data available and how to obtain it.

### *For College Access-Success Providers*

Incorporating a savings component can be a promising strategy for deepening the impact of a college access-success program. However, designing a CSA program from scratch is not easy. As a first option, we recommend that any college access-success program interested in helping students save for college explore if a CSA program exists in their area that could be a potential partner by searching Prosperity Now's online [CSA directory](#).

Second, if there is no CSA program in the area, we recommend the following simple process for launching a basic college savings component that is informed by best practice and research from the CSA and college access-success fields:

- **Consult Prosperity Now's *Investing in Dreams* guide** to get more familiar with CSAs and the basic design of CSA programs. In particular, Chapter 5 provides a detailed discussion of CSA account structures, including custodial accounts, as recommended in the next bullet.
- **Open a custodial 529 account for all participants with the college access-success organization as the custodian.** Following the example of IHDF, we recommend opening an individual 529 account for each student participant with the sponsoring college access-success program as the owner and the student as beneficiary. Third-party or "entity" ownership of 529 accounts is fairly common in the 529 industry. (Serving as a custodial owner of accounts involves a certain degree of fiduciary responsibility for an organization, so staff should seek approval from the organization's senior management and board for this arrangement.) This arrangement allows for relative simplicity in opening accounts. It also means that students do not need to declare their savings when they apply for financial aid or worry about their savings being impacted by asset limits (for families receiving public assistance), since the accounts are not owned by the students or their parents. My529 (which partners with IHDF) is an excellent 529 partner that many CSA programs are using; or programs can consult with their state's 529 plan.
- **Reward participants with the monetary rewards** for achieving key benchmarks, rather than savings matches. To motivate students and help accounts to grow, we recommend providing "benchmark" rewards for one or more of the following research-proven college access milestones. Programs can decide the specific amount provided for achieving each milestone:
  - 9<sup>th</sup> grader enrolls in state-defined college prep curriculum
  - 10<sup>th</sup> grader takes PSAT or PreACT

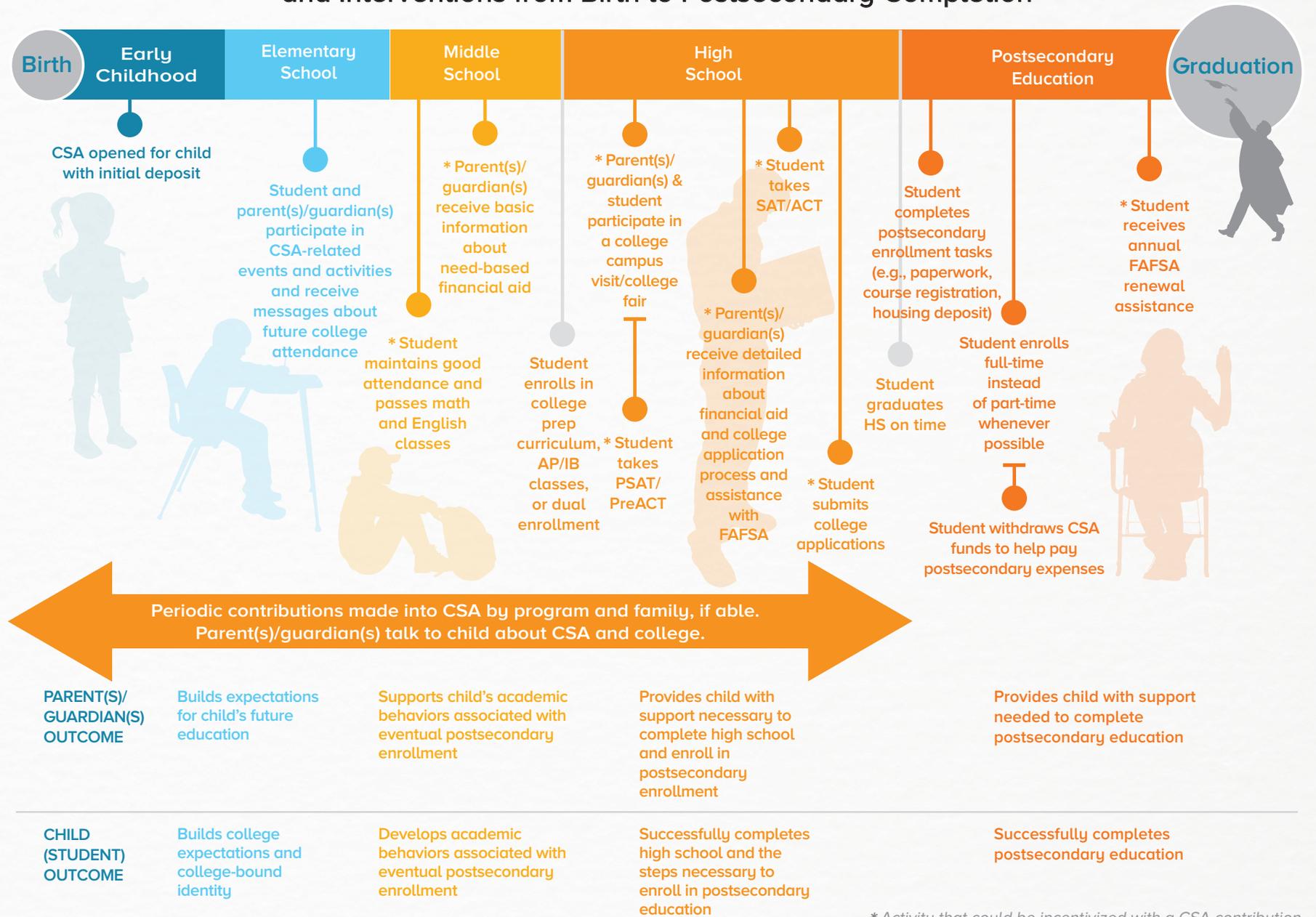
- 11<sup>th</sup>/12<sup>th</sup> grader takes SAT or ACT
- 12<sup>th</sup> grader completes FAFSA
- 12<sup>th</sup> grader completes 1-4 college applications

In this simple model, we do not recommend providing matches to encourage students and their families to save. While savings matches are common in many CSA programs, management of matches involves a somewhat complex process of tracking and allocating savings matches.

## Conclusion

College access-success programs and most CSA programs share a similar goal of increasing college-going and college graduation rates, particularly for low-income students and students of color. While they differ in their programmatic approaches, both can point to a growing evidence base that demonstrates their impact. From a theoretical and practical perspective, college access-success programs and CSA initiatives can be better by working together. Through several simple-to-implement recommendations, this report provides guidance both to CSA programs to help them integrate best practice principles and concepts from the college access-success field, as well as to college access-success providers to help them augment their offerings by integrating a college savings component.

## Potential Interactions of CSAs and Selected College Access Milestones and Interventions from Birth to Postsecondary Completion



\* Activity that could be incentivized with a CSA contribution

## Endnotes

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*If you have questions on this paper or need additional support around setting up a CSA program or integrating a CSA and college access-success program, contact Prosperity Now’s Children’s Savings Team at [savingsforkids@prosperitynow.org](mailto:savingsforkids@prosperitynow.org).*

*To receive the latest CSA updates from Prosperity Now on CSA initiatives nationwide, new resources and upcoming events, join the Campaign for Every Kid’s Future at [savingsforkids.org](http://savingsforkids.org).*

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