



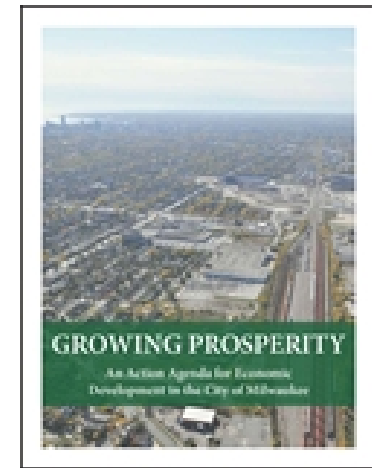
Milwaukee Children's Savings Account Initiative

Milwaukee Public Schools
Milwaukee Board of School Directors
January 2018



BACKGROUND

- The Milwaukee Children’s Savings Account (CSA) program is an action item in *Growing Prosperity: An Action Agenda for Economic Development in the City of Milwaukee*
- *A Growing Prosperity* called for investigating national CSA models as a strategy to change the educational aspirations of low-income youth and grow the local workforce employers need
- A CSA workgroup, including cross-sector stakeholders from schools, financial service providers, and community groups formed to explore national models and determine the feasibility of launching a large-scale CSA initiative in Milwaukee
- *Prosperity Now* – a national nonprofit experienced in designing CSA programs – supported the development of a plan that serves as a guide for program implementations



WHY DOES MILWAUKEE NEED A CSA INITIATIVE?

Figure 5.6: Post-Graduation Plans for Milwaukee Public Schools Class of 2012

Growing Prosperity (Figure 5.6)

Only 36.5% of African American students and only 32.3% of Hispanic or Latino students had plans to go to college compared to 45.9% of White students and 51.6% of Asian students

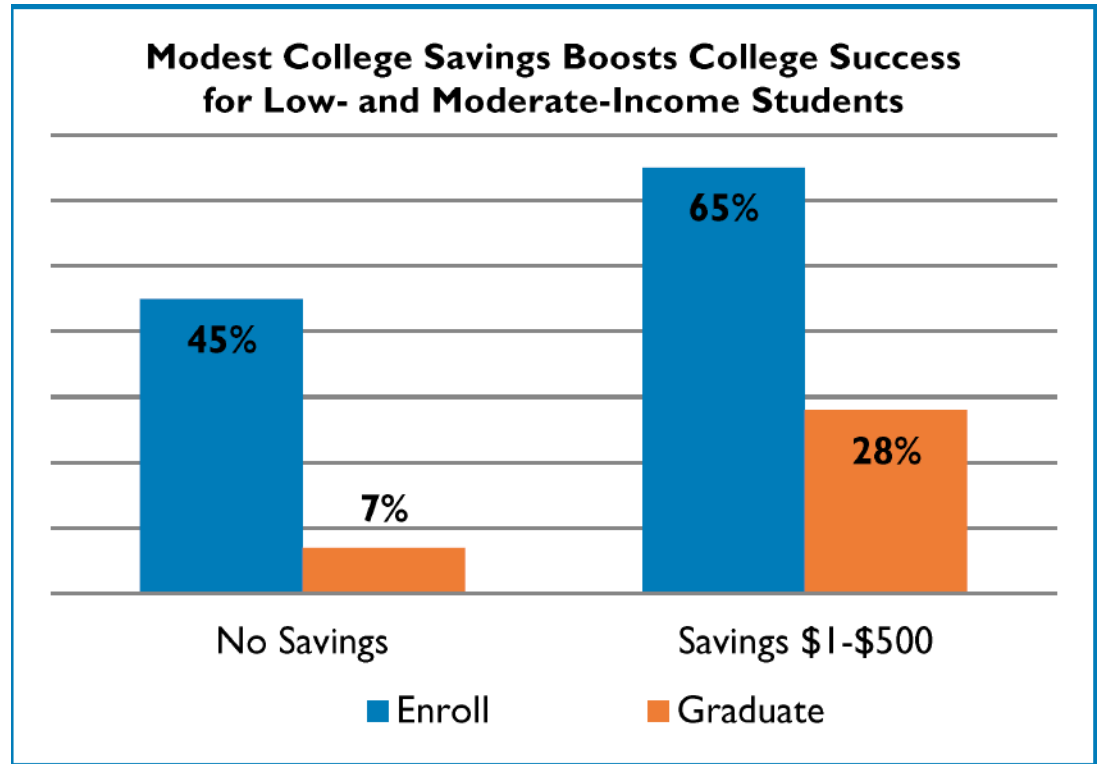
| | College | Vocational or Technical School | Job Training |
|---------------------|---------|--------------------------------------|-----------------|
| Asian | 51.6% | 14.4% | 0.8% |
| African American | 36.3% | 23.6% | 0.5% |
| Hispanic or Latino | 32.3% | 21.2% | 1.7% |
| White, Non-Hispanic | 45.9% | 13.7% | 0.8% |

Source: Wisconsin Department of Public Instruction, 2012

CSAs are an important strategy for raising young people's expectations for their futures.

THE POWER OF CSAs

Low- and moderate-income children who have between **\$1 and \$500** in savings for college are **3 times** more likely to enroll in college and **4 times** more likely to graduate than those whose families do not have college savings.



Source: **Assets and Education Initiative**, *Building Expectations, Delivering Results, Asset Based Financial Aid and the Future of higher Education*, July 2013

MILWAUKEE CSA INITIATIVE GOALS



1. Increase postsecondary educational attainment rates

Reduce the gap in educational attainment and increase the percentage of students who complete postsecondary education to ensure Milwaukee has a 21st century workforce that is positioned for economic mobility

2. Improve financial capability

Increase participating children and their families' financial capability to enable them to effectively manage financial resources and improve their financial security

KEY PROGRAM FEATURES



- Automatic enrollment in kindergarten (K5) with parents having the choice to opt out
- Led by a public private partnership with *Edvest*
- Program will open a master 529 *Edvest* account and parents will be encouraged to open their own personal 529 account
- Paired with financial empowerment tools and asset building services for children and families
- Initial deposit of \$25 upon enrollment and incentives for student and family accomplishments
- Intended to serve over 24,000 students during first three years of the initiative

TRACKING OUTCOME MEASURES



| OUTCOME MEASURE | DATA SOURCE |
|---|---|
| Attendance rate | MPS/other schools' databases |
| Children with savings for college | Program database |
| Children and families' postsecondary education expectations | Surveys of children and parents/guardians |
| Standardized test scores | MPS/other schools' databases |
| High school graduation rate | MPS/other schools' databases |
| Postsecondary enrollment | National Student Clearinghouse |
| Postsecondary completion | National Student Clearinghouse |

STAKEHOLDER ENGAGEMENT (Sep – Dec 2017)

CSA Workgroup Members

- WI 529 College Savings Plan
- Boys & Girls Clubs
- Great Lakes Higher Education Guaranty Corp.
- Greater Milwaukee Foundation
- Guaranty Bank
- Journey House
- Secure Futures
- Milwaukee Succeeds
- TIAA-CREF
- United Way of Greater Milwaukee & Waukesha Co.
- MPS

Philanthropy

- Herb Kohl Philanthropies
- MATC Foundation
- Bradley Foundation
- Milwaukee Bucks Foundation

Corporate & Civic

- Milwaukee 7
- Greater Milwaukee Committee
- Metro Milwaukee Assn of Commerce

Education & Policy

- UEDA and Financial Equity Group
- MPS and MPS Board
- Bruce-Guadalupe Community School
- Milwaukee College Prep
- Community Advocates Public Policy Institute

National Networks

- National League of Cities
- Upper Midwest Consortium
- College Kids (St. Louis)
- Promise Indiana
- Harold Alfond College Challenge (Maine)

Lived Experience Focus Groups *with:*

MPS Parents & District Advisory Council;
WWBIC (*Make Your Money Talk*); COA teens

KEY NEXT STEPS

1. Confirm data sharing and partner agreements
2. Identify key partners and champions (i.e. funders, college access and success leaders, corporations, etc.)
3. Identify university partners who can lead research/evaluation and support college access, exposure and success
4. Convene funders and champions (1st Quarter 2018)
5. Launch CSA Initiative (2018-2019)