



ADAM L. LAYNE
Treasurer

TREASURER'S OFFICE
CITY OF SAINT LOUIS
MISSOURI

1200 Market Street
Room 220, City Hall
St. Louis, MO 63103
(314) 622-3434

October 2, 2023

Dear Dr. Keisha Scarlett and members of the SLPS Board,

I am hopeful that the information provided in this correspondence regarding the College Kids program provides all the information, context, data, and insight needed to move forward with a favorable decision to continue and strengthen the partnership between our program and St. Louis Public Schools. My team and I have worked thoughtfully to provide essential data and context for the work that we have been doing and will continue to do in service to the students and families at SLPS.

This program was birthed with the idea that any and all support that we *can* provide to students in the City of St. Louis *must* be provided to give them their best chance at success in rewriting bleak narratives and dismantling cycles of economic injustice. The importance of a partnership like this in support and advocacy of our young people's futures cannot be underscored enough. Our families depend on all our city entities, private and public, to work together in the best interests of the collective. We know that with true partnership and commitment to collaboratively working on championing financial literacy and college savings, College Kids will allow our SLPS kids and families to flourish, equipping them with an added tool in their toolbelt to reach their fullest potential. Students and their families in SLPS have already saved \$1.1 million and the oldest group is well on their way to being 7 times more likely to achieve their postsecondary dreams. A continued pause means that this current class of kindergarten students will graduate from high school missing out on a collective savings of \$2.2 million toward their educational dreams. A continued pause means that there is one less driving force in the fight to break generational cycles of poverty for our most marginalized population, a population that reflects more than 85% of SLPS.

As a former SLPS educator and former board member, we would always remind ourselves that our primary concern above all else is doing what is needed for children. I ask that you lift the suspension and choose to work with me in our shared goals of providing every resource and opportunity needed to support our young people in realizing their true potential. It takes a village and I believe the Treasurer's Office, the City of St. Louis, and the College Kids program are integral parts of that village for the vision we all have for the St. Louis we all know is possible. Thank you and thank you for being servant leaders in this important work.

Sincerely,

Adam L. Layne



ADAM L. LAYNE
Treasurer

TREASURER'S OFFICE
CITY OF SAINT LOUIS
MISSOURI

1200 Market Street
Room 220, City Hall
St. Louis, MO 63103
(314) 366-3095

Research on Program Impact

The vision for the College Kids program is that **students have at least \$500 saved by the time they finish high school** in the City of St. Louis. This is because data shows that **students with at least \$500 saved for college are three times more likely to go to college and four times more likely to graduate** from college. The College Kids program is the City of St. Louis committing to doing its part to supplement the great work of the school district in making sure students have every advantage and opportunity to succeed in their postsecondary aspirations. The vision far surpasses a \$500 account. This is about interrupting cycles of poverty by getting St. Louis households banked and connected to quality banking services, increasing financial literacy in a city where districts have no formal K-12 financial literacy curriculum, and allowing students and families early saving opportunities which data leads to increased scholarship opportunities and participation in early college programs.

In a recent survey of our College Kids families, 94.5% stated that early college savings is important to their household, and 87% of those families said that the College Kids program is what sparked their college savings journey for their child. In fact, **63% say they would NOT have started this early on their child's college savings journey without the College Kids program.** We believe financially literate children grow up to be adults who make financially sound decisions. Our families believe their children's financial literacy has increased as a result of the program, and 47.8% of parents say it increased their own financial literacy. In relation to the goal of breaking economic cycles of poverty, 30% of our families say they now have a bank account because their child has a College Kids account, and 25% say it's their first time participating in direct deposit for savings. **That means 1 in every 4 parents are now choosing to make regular investments in their child's future because of our program.** See the attached data spreadsheet for these numbers and the comparison to national statistics around college savings.

Our goal is that students have at least \$500 saved by high school graduation, and our oldest class is just in 8th grade. Therefore, to be able to adequately determine if we've met that goal, we would need to see what our students are doing in 5 years once they graduate from high school and begin their college journey. However, the program we are modeled after in San Francisco just celebrated their first graduating class with an average college account savings balance of \$1,422 among what they describe as their active savers.

We also included additional research from Washington University on the importance of College Savings Accounts (CSAs) and why more CSA programs actually do more to support low-income families in achieving post-secondary success.

Inaugural Accounts

The data file is attached that shows the account information for all of the SLPS accounts. Collectively, **SLPS students and families have currently saved \$1.1 million.** Our oldest group, our **SLPS 8th graders have collectively earned and saved \$186,663.** Among These accounts, 600 are above the \$50 seed level and what we refer to as active savers, similar to how other college savings accounts categorize their participants. Of our active savers, 523 or 87% are also above the \$100 mark and **30 families are already at or above the \$500, meaning that they've already hit and surpassed their savings goal a full 4 years ahead of schedule. Our average balance for all 8th-grade accounts is \$129.45 and the average jumps to \$240.94 among our active savers.** The results are promising and encouraging. Our **highest account has swelled to \$4,907 and we're proud to say we have 17 accounts for our 8th graders above \$1,000.**

We're proud, but not resting in the strides we've made. We know we can and are confident that we'll continue to explore areas for growth in order to better serve our families. Yes, 842 of our 8th-grade accounts are still at that \$50 seed level, but we are continuing to do strategic outreach and engagement in a variety of ways to increase participation. We also know that our incentive opportunities are so vast that **even if an 8th-grade parent learned about their savings account today, they would have every chance to hit the \$500 savings mark** without a problem. When our team works with and educates families, it is not just education about making deposits; it, it is education around wise financial decisions and shaping transformational mindsets around breaking generational cycles of poverty. That is why we don't rest on the results we have, but we embrace the work we have still left to do to reach those families where they are. One of the best interactions I have with parents is when they come up to me first learning about the program, feeling defeated that they didn't know or didn't take advantage of it in kindergarten. When I tell them they still have an account, that there's \$50 in it already, and that they are still on track to reach that \$500 goal, the relief and joy they show confirms the vision we have for college kids.

Engagement

Our College Kids program engages students and families in over 30 activities each year. We engage with students directly in schools through Storytime with the Treasurer, where Treasurer Layne visits 4-5 schools a quarter to read books to elementary school students, spending about an hour at each school. This provides at least 20 hours a year of financial literacy to between 80 and 100 students. When we visit, we also provide College Kids gifts to students along with information in a bright green College Kids bag so families can continue to engage with their child's financial literacy journey. We also provide class sets of our financial literacy books and have secured over 700 books for students. Additionally, have send-home activities on financial literacy for our families to complete.

We connect with our families in a variety of ways. We send out monthly communications via email as well as quarterly newsletters to families. Our outreach includes Family and Community Specialists (FCS) for SLPS in addition to administrative staff, principals, and assistant principals

to send out our communications. Our schools with the best engagement do a fantastic job of co-promotion, which is a part of our district MOU. We have quarterly Family Savings Nights where families can learn about a specific financial literacy topic under the large learning buckets of budgeting, savings, credit, and money management. Simply by attending these activities, students earn incentive dollars that go directly into their College Kids savings account. We hold a virtual bi-annual Game Show where students answer questions in a Jeopardy format to learn more about financial literacy and answer questions to earn incentive dollars into their college savings account. We do both student and educator spotlights to highlight our students who are going above and beyond, as well as our educators who are supporting and serving our youth. We also engage our local media and we appear quarterly on the Fox 2 morning news show to promote the College Kids program and our activities.

Additionally, we have monthly workshops for students and families to learn about financial literacy and earn incentives for their student accounts. We partner with the St. Louis Regional Financial Empowerment Coalition to put on the annual Creative Arts Contest. Every year, multiple College Kids students have won the contest, with the top prize being a \$2,000 award for their college-going expenses. We also pay to attend and table all fairs and events where students and families will be, such as the Urban League Expo, Annie Malone festival, Sista Strut, Better Family Life events, and many more.

Through our partnership with the Cardinals and the SLU Billikens, we are granted hundreds of tickets for our nights out at the ballpark to see Cardinals games and Chaifetz Arena for our students and families to enjoy a local sports experience for free. This is often an opportunity for families who haven't engaged to engage through sporting events they care about.

This past summer, we partnered with BMO Harris to award \$3,000 in scholarships to families of SLPS students. We also highlighted three SLPS educators who are going above and beyond to invest in the futures of our youth. Awardees included Alex Schenk of the Collegiate School of Medicine and Bioscience, Charles Babatu Murphy from Roosevelt, and Dr. Kacy Seals-Shahid from CVPA. We want to continue to invest money in celebrating our St. Louis Public School staff.

In addition to our financial literacy programs and events, College Kids has fun, community-building events for kids and families. We host an annual Scholarween to celebrate Halloween. We have our annual Deck the Halls event, complete with Santa and pictures for the kids. During the summer months, we do our end-of-year celebration called the CK Field Day, where we have games and prizes for students and families. Each event has tables with our bank partners to provide information on economic empowerment, health agencies to ensure students and families have access to quality healthcare and many other resources. Lastly, this year we will launch our CK Champion program, which trains and supports school-based staff members on our College Kids program so that staff, families, and students in the school have an on-site member dedicated to keeping families informed about the program and all the ways they can earn financial literacy incentives and engage with our dynamic programming.

MOST 529

The MOST 529 Program is a preferred partner of the College Kids program. We equip parents and family members with information about the MOST 529 program, along with the information that we send out to our families. We host **quarterly** MOST 529 seminars for families to learn about the advantages of a MOST 529 plan. Some of our families currently have a MOST 529 plan and a CK savings account.

While CK families can transfer their accounts into a 529, the reality is that CSAs offer low-income families the most protection, as these FDIC-insured accounts are not subject to market fluctuations, and there are no federal or state tax liabilities for contributions, earnings, or withdrawals. In contrast, 529s are invested in stock and bond mutual funds, leaving already financially vulnerable residents even more subject to fluctuations in the market. While many of those families say that they love the fact that our accounts are easily accessible and fee-free, they also love the flexibility and freedom they have to explore the many options available to them to make the best decision for their child. Empowering families around financial literacy is at the center of everything we do and partnering with MOST 529 is a testament to that.

Account Closures

If a family wants to opt out or close their account, they are free to do so at any time. Our process is that the legal parental guardian of the child completes our form and submits it to our College Kids Program Manager. After the submission, our Program Manager schedules an exit meeting with the legal guardian to discuss transfer options. Because the funds are for college savings, the accrued deposits can be transferred into a MOST 529 savings plan or a qualified college savings account. Families are eligible to withdraw all family deposits, but not incentive dollars provided by the City of St. Louis.

Of the over 20,000 accounts we've opened for children in the City of St. Louis, we have only had 32 accounts closed. Of these closed accounts, most were closed because of moving out of the district and 12 opened new savings accounts, including MOST 529 accounts. At this point, we do not consider accounts abandoned as we know transience is big in our region. 38% of K-12 public students move schools mid-year. That might be out of the district, out of the city, or the state. Having been a high school teacher in SLPS, Treasurer Layne would often witness the return of students to the district after years away. With our program, those students never lose their accounts and thus never lose the ability to save for their future. That's why we open these accounts for all students once they enter kindergarten because we know families are juggling a lot when enrolling their kids in school, and a college savings account program may not be top of mind. Whether they begin engaging in 1st grade or 5th grade, our goal is to make sure we don't prematurely close any doors of opportunity for our young people and families in the City of St. Louis.

Account Balance Data

Collectively, **SLPS students and families have currently saved \$1.1 million (see attached data file)**. Overall, it is important to note that we have 11,481 accounts at or below the \$50 level. We have 578 between \$51 - \$99, 1,254 accounts between \$100 and \$499, and 178 accounts above \$500. Our highest SLPS account right now is \$5,872 and we have 111 accounts above \$1,000. We pride ourselves on the growth our families have made. This is not simply putting money away to save; it is creating a culture around planning financially for post-secondary success. This positively shows that even though our oldest group is still 5 years away from high school completion, over 1,400 young people in St. Louis are already 3 times more likely to go to college and 4 times more likely to graduate from college. Looking at a raw data file does not paint the full picture of progress and the strides our families have made.

Diving into the analysis of the data, we can see that even though the average overall balance is \$84.02 for all accounts, we have over 2,000 active savers. Those are accounts that families are actively contributing to and earning regular incentives on. **Our active savers have an average balance of \$278** in their College Kids accounts, well on their way to hitting that \$500 mark. At the 8th and 7th grade level, we have 42% and 35% of the accounts as active saver accounts. They did not start out that way; in fact, our current 7th and 8th-grade active savers looked very much like the current K-2nd grade accounts. Changing this took intentional effort, outreach, engagement, and, most importantly, time for our families to learn and grow as we learned and grew as a program. Therefore, we can see that over time, account **participation grows nearly 40% from K-8th grade**, which is what we expect as families get more settled, more focused on college access, and have sustained engagement with our program and their school and school district.

Yes, over 11,000 (or 85%) of our accounts are still at that \$50 seed level, but about **40% of those accounts are held by Kindergarten, 1st, and 2nd graders, meaning these students and families are just beginning their college savings journey** and have plenty of time and countless opportunities to grow their accounts. When our team works with and educates families, it is not just education about making deposits, it is education around wise financial decisions and shaping transformational mindsets around breaking generational cycles of poverty. That is why we don't rest in the results we have, but we embrace the work we have still left to do to reach those families where they are.

Account Growth

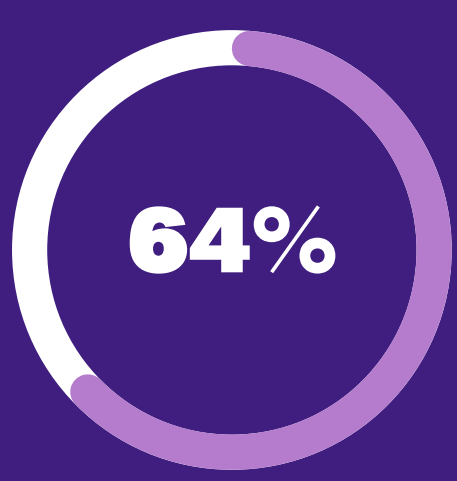
To reiterate the impact, **SLPS students and families have currently saved \$1.1 million**. Our office seeds the first \$50 for each account with revenue from our Parking Division. Seed deposits account for 59% of the total account value, meaning that **41% or \$459,000 has been accrued by students and families through savings, matched savings, class sponsorships, and financial literacy incentives earned**. Looking at our active account groups, this **percentage jumps from 41% to 79% of the dollars earned and saved by active engagement in the College Kids program** and their commitment to their postsecondary savings journey.

In addition to account growth, we're also proud to show the support we've received from the community in the last several years. In 2021, we received a prestigious award from Clayco on Juneteenth, and they donated \$20,000 to support the College Kids program. During GiveSTL Day and Giving Tuesday, we raise over \$25,000 for each event respectively. All of our bank partners collectively have donated more than \$100,000 just in the past 18 months to support College Kids and this past year we secured a renewable, annual commitment of \$125,000 from Wells Fargo to support the College Kids program, showing their belief in our program, our objectives, and our commitment to futures of youth in the City of St. Louis. Aside from corporate sponsors, our community has so much belief in our program that we've had individual families sponsor incentives for their child's entire class.

On The Horizon

We are excited to do so much more with our College Kids program. In addition to Storytime with the Treasurer, we have financial literacy activities branching from our redesigned K-12 financial literacy curriculum, adapted from the Federal Reserve's Money Smart guide. We have expanded opportunities with the program to allow for saved funds to assist with paying for programs that enhance post-secondary access. For example, if a family wants their child to participate in a summer STEM camp but doesn't have the \$200 that it may cost, that family can use their CK account to pay for that activity, which will increase that child's likelihood of postsecondary success. We are also planting the seeds for partnerships with companies that are typical employers of high school youth so that as youth are working for these local franchises and businesses, their employers are contributing directly to match what their employees, and our College Kids scholars, are saving themselves. Finally, partnership between SLPS and the city is incredibly valuable for our families and students, not just because of what each entity can do individually, but the work our organizations working in tandem can do to maximize our collective impact, pulling in many more community partners to support what we all know is and should be the primary focus: giving our young people every opportunity to succeed.

All About College Kids

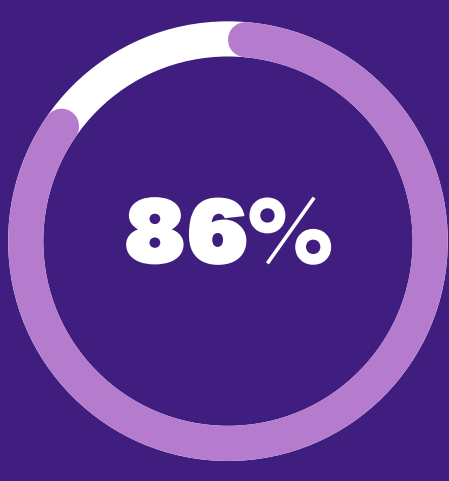


Nationally, only 64% of parents have started college savings accounts for their children.



Statistics show there is a nationwide \$2,200 gap between what black families and white families save for college.

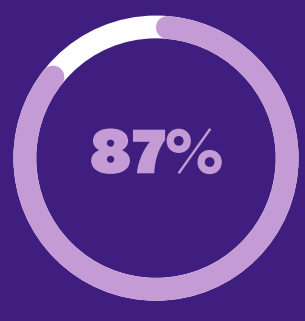
74% of 1st generation families nationally do not have a college savings account or plan



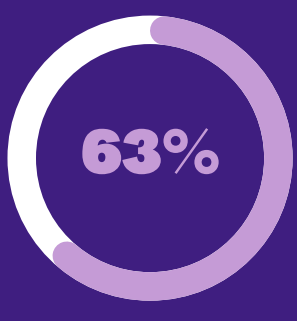
86% of families plan to use their savings account to pay for their child's college.

Relying on savings accounts for college expenses disproportionately hurts families in areas with high unbanked and underbanked populations. This reliance exacerbates financial vulnerability, educational inequality, and limits opportunities for children in these underserved areas. Addressing this issue is essential for promoting equal access to higher education and financial stability.

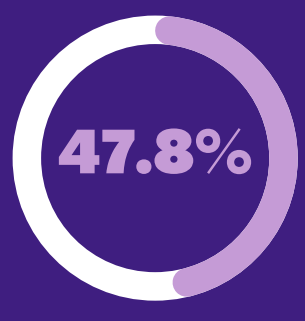
94.5% OF OUR FAMILIES SAY THAT EARLY COLLEGE SAVING IS IMPORTANT THEIR HOUSEHOLD.



87% of the College Kids program's families say the program helped them get an early start on college savings.



63% of families say that they would NOT have started saving this early had it not been for the College Kids program.



47.8% of families strongly believe their own financial literacy has increased due to their participation in College Kids.



30% of parents have opened a bank account because their child now has a college savings account through College Kids.



25% of families say that College Kids was their first time participating in direct deposit savings.



60% of families participate or plan to participate in direct deposit for their child's College Kids account.

WASHINGTON UNIVERSITY DATA ON CSAs/CDAs

[Essential Policy Design Elements for Statewide Child Development Accounts \(wustl.edu\)](#)

Design elements

[The Case for a Nationwide Child Development Account Policy: A Policy Brief Developed by CDA Experts and Researchers \(wustl.edu\)](#)

Longitudinal effects

[Experimental Effects of Child Development Accounts on Financial Capability of Young Mothers | SpringerLink](#)

Experimental effects- Abstract only

[Insights From State Treasurers: Developing and Implementing Statewide Child Development Account Policies \(wustl.edu\)](#)



