

Pilot Summary

Funding Futures addresses TLC task force findings and other needs identified by staff around barriers to lifelong learning by extending college and career program efforts with a **CSA tool to encourage post-secondary education and savings**.

We launched 2022 by offering 27 families the opportunity to open a savings account with US Bank locally and receive seed funds in a TLC omnibus 529. The families invited were currently enrolled in our Lit Lab preschool program. Families save funds in a child UTMA account and TLC seed, match and bonus funds are placed in the 529 account through Scholarshare. Account tracking is done using an experienced outside third party, Outcome Tracker.

Funding futures aims to shift family and student expectations, increase academic performance and long-term TLC retention, and provide financial literacy and empowerment.

ASPIRATIONS - BUILDING A FUTURE-ORIENTED MINDSET

Funding Futures Goals

- I. **Start early to foster students' and families' expectations and aspirations** aiming toward postsecondary education and career training.
- II. **Help students be career, college and post-secondary ready** with a long-term approach to academic engagement and self-confidence.
- III. **Build students' and families' financial potential** using TLC programs and connecting with partners to offer other related services.

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. 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. Research shows that students with a savings account are 7x more likely to attend post-secondary education than those without an account. This is true regardless of families' income, race, or educational attainment.



Pilot Success

- 85% participation rate, compared to national averages of 35%.
- As of August 31st, 2022:
 - 87% of families had made additional deposits.
 - 78% of families have saved \$100 or more, 21% have saved over \$500.
 - **Over \$14,000 saved for post secondary success** - \$8,286 as of August 31st saved for students in 529 accounts since the March 2022 launch and \$6,338 saved by families in their savings accounts.
- **TLC Contributions:**
 - **Seed:** \$175 seed money.
 - **Bonuses:** allocated \$150 max per student for pilot year.
 - **Matches:** up to \$100 per student for pilot year.
 - **Incentives moving forward:** We will provide incentives around student attendance, parent engagement, online enrollment for account viewing and account contributions. Budget allocation \$300 max per student for Pilot. We plan to grow incentives and include academic incentives for secondary students.

Parent Responses

Why did you choose to enroll in Funding Futures?

"We wanted to give our daughter a chance we didn't really get growing up."

"To get my son ready for the future. I always planned on trying to get an account for him and never got around to doing it and with help from TLC, I actually did."

"Saving up at an early stage is super important and will hopefully relieve the stress at a later stage."

Long Term Outcomes

- **Funding Futures Draft Goals:** *These goals are starting points and will be re-evaluated and discussed after focus groups with families are complete.*
 - 75% of eligible families will participate (national participation is around 30%); **85% pilot 1.**
 - 90% of families will embrace a positive college or career post-secondary identity.
 - 80% of students will enroll in post-secondary efforts (consider measuring completion once disbursements are in place).
 - 75% of accounts will have at least one family contribution; **87% pilot 1.**
 - \$100,000 saved from TLC and families in 5 years (**over \$14,000 in first 6 months**)
- **TLC Academic Goals**
 - 100% of students will illustrate academic growth in reading and math annually- **100% of Lit Lab preschool students**
 - 85% of students will be at grade level in reading by 3rd grade
 - 100% of students will attend 90% of school days or more -**80% attendance rate**
 - 90% of students in middle and high school with a GPA below 3.0 will illustrate GPA growth.

Next Steps

- **Fall 2022** - Continue with Pilot 1 families to engage in financial literacy and academic programming at TLC.
- **Winter 2023** - Invite incoming Lit Lab preschool families, along with SOAR and Tutoring families of secondary students to join Pilot 2.
- Continue to develop necessary policies, procedures, contingency and streamline enrollment process.
- Share this pilot and success with community partners to look into growth or contingency plans.
- Continue to develop evaluation metrics and long-term data opportunities.