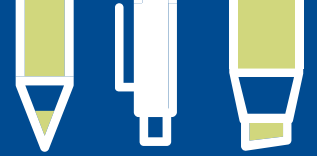


# CHILDREN'S SAVINGS ACCOUNTS

## HOW DOES IT WORK?

Children's Savings Accounts (CSAs) are long-term asset development accounts that promote post-secondary education savings. CSAs universal and automatic enrollment combined with an initial seed deposit provides households with a platform to build assets and an incentive to save. As accounts grow, these assets can serve as an opportunity for children to achieve post-secondary attainment.



## MODEL COMPONENTS

### AUTOMATIC AND UNIVERSAL ENROLLMENT

Opt-out enrollment automatically enrolls each child into a CSA and no child is left out.



### INITIAL SEED DEPOSIT

All CSAs see an initial deposit from public or philanthropic dollars to kickstart early interest in post-secondary education.



### INCENTIVES TO SAVE

Initial deposits, savings matches, benchmark incentives, education milestones, and prize-linked savings promote higher family contributions.



### BARRIER-FREE CONTRIBUTIONS

Multiple deposit options including cash, direct deposit, ACH transfers, etc. break down barriers to asset building and bring families to the financial mainstream.



### RESTRICTED WITHDRAWALS

Accounts are restricted to long-term asset building in order to promote post-secondary education and financial literacy.



## STUDENT WITH A DEDICATED COLLEGE SAVINGS

# 3x

MORE LIKELY TO **ATTEND COLLEGE** THAN THOSE WITHOUT SAVINGS



# 4x

MORE LIKELY TO **GRADUATE FROM COLLEGE** THAN THOSE WITHOUT SAVINGS

Source: Small-dollar children's savings accounts and children's college outcomes by income level. (2013) Elliott, W., III, H. Song, & I. Nam. Children and Youth Services Review.