

# INVEST IN SUCCESS

Sustainably  
Expanding  
Children's  
Savings  
Accounts  
in Michigan



# EXECUTIVE SUMMARY

To create an inclusive economy that fosters household and community wealth-building, postsecondary education and career training must be accessible to all Michiganders. However, college and career training attainment rates vary widely across our state. Many students living in low-income rural and urban areas feel that postsecondary education and training are simply out of reach. Unable to see this achievement in their future, many children opt not to pursue a postsecondary pathway at an early age. As their long-term economic prospects attenuate, so too does Michigan's opportunity for robust economic growth and widespread prosperity.

The Michigan Children's Savings Account (CSA) Network believes that a comprehensive early awareness solution must be part of Michigan's response to this problem. When a problem begins to emerge in the earliest years of a child's education, the response to that problem simply cannot wait until that child enters high school. Our network believes that providing universal access to postsecondary savings starting at kindergarten can make a critical difference in the expectations and aspirations of low-income children and their families. Research shows that when a child from a low- to moderate-income household has even \$500 in savings, they are [5x more likely to graduate](#) from college than their economic peers without savings—making Children's Savings Accounts (CSAs) an essential first step.



## THE CURRENT CSA FIELD

To date, Michigan has enrolled more than **28,000 students** across **15 CSA programs**. Communities have committed nearly **\$1 million** in savings, and families have saved an additional **\$100,000**.

CSAs promote postsecondary attainment through a combination of savings, financial literacy, and planning for education or training after high school. When combined with other community resources and programs (e.g., local college access networks (LCAN) and Promise Scholarships), CSAs connect students and their families with pathways to postsecondary attainment.



# EXECUTIVE SUMMARY

This early intervention and regular dosage make CSAs uniquely impactful and enhance community resources and programs that come later in a student's K-12 experience; their universal design ensures that all children can participate regardless of socioeconomic status, and target resources support those with the greatest need.

Unfortunately, most Michigan students don't currently live in communities with CSAs and cannot reap their benefits. With the support of statewide infrastructure and funding, current programs could operate more efficiently and have a more significant impact. Current programs would benefit from optimized program design and standardized access to data while emerging programs could learn lessons from their predecessors and wouldn't have to recreate the wheel. Statewide support wouldn't hamper innovation, but it could encourage new initiatives at the community level by decreasing the administrative burden on local programs.

Our Invest in Success framework provides background on the postsecondary achievement gap and the role that CSAs can play in closing this inequity (p. 4-6) and offers a roadmap to achieve statewide expansion and ensure that CSAs are accessible to as many Michigan students as possible (p. 7-11). By removing barriers to pursuing college or career training after high school, CSAs make it possible for Michiganders to unlock their personal potential and, for the State, its unrealized economic prosperity.

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## 05

## DEFINING THE PROBLEM: THE POSTSECONDARY ACHIEVEMENT GAP

Postsecondary education is integral to a state's [economic prosperity](#). However, when postsecondary education and training attainment is not universally accessible, it has profound negative consequences for households and the communities they call home. Communities with a higher proportion of individuals [without a postsecondary degree or credential](#) often miss out on economic opportunities. In turn, households experience [lower wages and job insecurity](#), perpetuating inequalities that prevent current and future generations from achieving financial security. For thousands of Michigan students, social and economic factors can make postsecondary education feel out of reach. This feeling, coupled with the circumstances of many students' realities, contributes to the continued [postsecondary enrollment gap](#) and [subsequent achievement gap](#).

While Michigan has made strides in increasing the number of individuals with a postsecondary degree or credential, a 2021 [Lumina Foundation](#) report shows that this achievement is inequitable and concentrated in wealthier suburban communities.

- Significantly smaller portions of [Black, Latinx, and Indigenous](#) communities in Michigan hold bachelor's degrees (18%, 20%, and 14%, respectively) compared to their white counterparts (31%).
- [Urban and rural populations](#) experience differential attainment rates, with rural individuals generally obtaining less education than their urban counterparts across every demographic breakdown.



## 06

## DEFINING THE PROBLEM: THE POSTSECONDARY ACHIEVEMENT GAP

- Household wealth is so tied to postsecondary enrollment that one [study found that each \\$10,000](#) of additional home equity increases the likelihood of enrollment by 1.4%.

Students from these communities are often less [engaged in the classroom](#) leading to lower levels of postsecondary readiness. Because their families lack the time and/or resources needed to enhance classroom learning, this disparity often [extends into their homes](#), exacerbating the readiness gap. Sometimes their [families and communities](#) might even sway them from pursuing a postsecondary pathway because of fear of the unknown or institutional distrust.

Compounding institutional distrust and fear with [generations of federal and state policies](#) depriving households of color the opportunity to build wealth, without support these families will continue to be systematically disadvantaged. Fewer students of color will be able to [attend and complete their postsecondary education](#). This projection of the status quo would not only exacerbate the [wealth gap in the United States](#), but will also hurt communities across Michigan and the economies in which they participate.

Not only is postsecondary preparation programming crucial to closing the gap, but a National Association of Secondary Principals (NASSP) survey found that [“beginning the message before high school is key.”](#)



## 07

## DEFINING THE PROBLEM: THE POSTSECONDARY ACHIEVEMENT GAP

Efforts to engage these students often come so late in the K-12 experience that they are unable to take advantage of them. Many awareness programs are introduced to high schoolers, despite the fact that middle school proves to be “[a critical time](#)...because students [and their families] will soon make choices that affect where [and if] they can attend college” or pursue another postsecondary credential.

Addressing this achievement gap is essential to creating greater prosperity for all Michigan communities. To tackle this issue, Michigan needs an approach that engages with the family and child from an early age providing them with a combination of financial resources, knowledge, and support that will increase their likelihood of success. The Michigan CSA Network believes that children's savings accounts offer such a solution and can significantly close this achievement gap when combined with existing community resources.

## 08

## INTERVENING EARLY: CHILDREN'S SAVINGS ACCOUNTS

[CSA programs](#) are an innovative solution to closing the postsecondary achievement gap. By automatically enrolling students at kindergarten into savings or investment accounts, CSAs engage students and their families at the threshold of the K-12 experience giving them the time, resources, and knowledge needed to prepare for their chosen postsecondary education or training pathway. Unlike more traditional interventions that occur in high school, CSAs encourage local communities and families to invest in their children early and often.

Their unique design empowers families to take a more active role in their child's postsecondary pathway. By engaging the student and their family well before high school, CSAs take advantage of the window of opportunity before negative social and economic factors cause a student to give up on postsecondary attainment.

CSAs are more than just a youth savings account at a financial institution. They incorporate financial education and other wraparound services that help students and families build their capacity to pursue the postsecondary pathway of their choice. Savings in these accounts are earmarked explicitly for postsecondary education or career training options, including 2- or 4-year degrees, apprenticeships, certificates, trade skills, and even small business entrepreneurship. These savings provide [a vital cue](#) that postsecondary attainment is possible—why save for something that doesn't exist? The custodial, deposit-only savings accounts design ensures that savings can grow steadily and with an elevated degree of security.



## 09

## INTERVENING EARLY: CHILDREN'S SAVINGS ACCOUNTS

CSA participants receive community contributions to build account balances. Contributions are often allocated to [initial deposits and incentives](#) for achieving academic milestones, community service, and financial education. These community contributions reinforce the savings of families, in particular low-income families, providing them with a measure of financial progress. While CSAs cannot substantively reduce wealth inequality on their own, they can have [a significant impact](#) when deployed as [part of broad policy strategy](#). Additionally, these contributions create a sense of community belonging and support for the child, encouraging the student to further engage with the program and believe in themself.

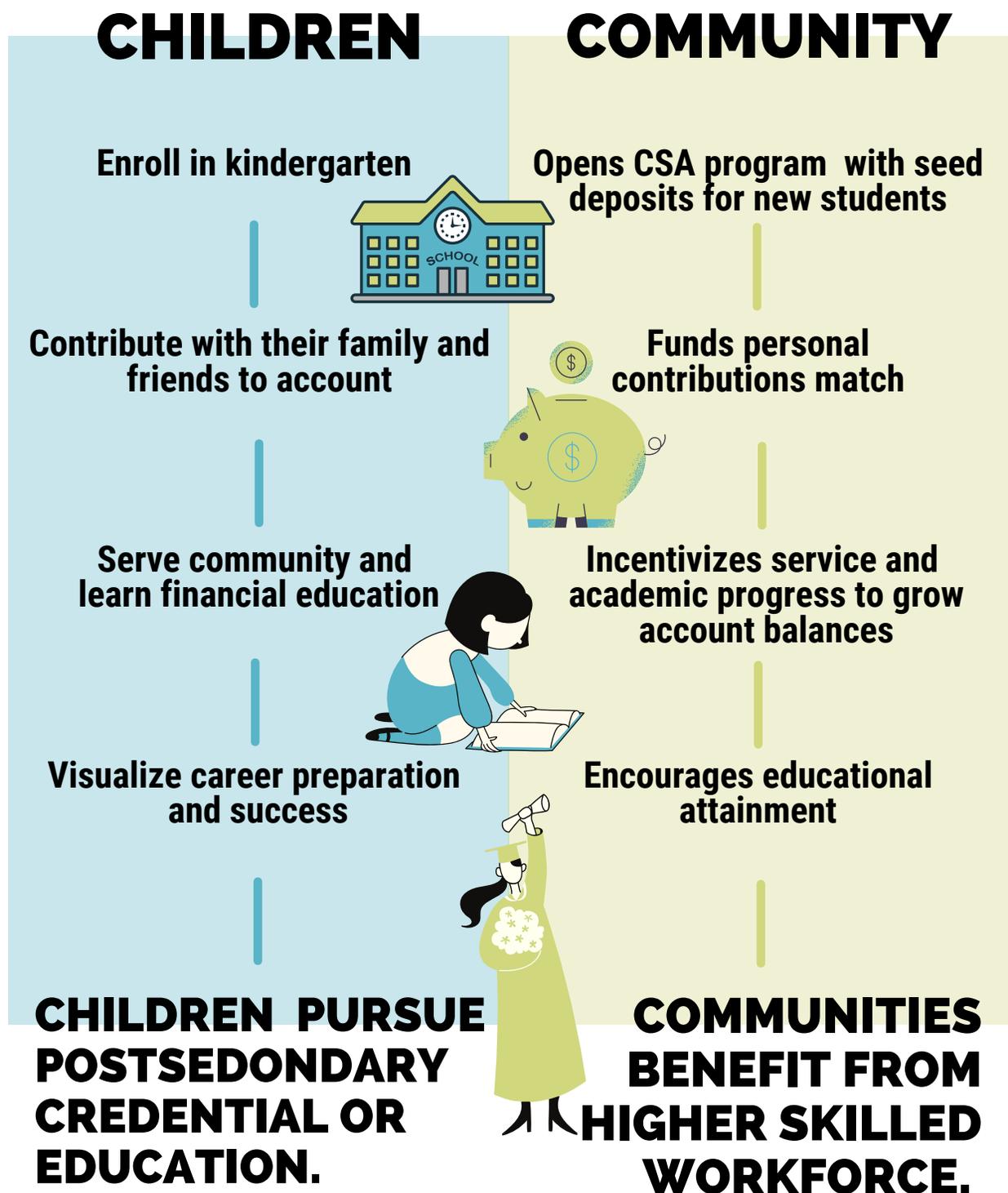
Most importantly, CSA programs [lay a strong foundation for interventions that come later in the K-12 experience](#) through consistent engagement via in-classroom financial education and savings opportunities, incentives, and career and college planning activities.

As a result of this groundwork, students are more receptive to later actions, such as FAFSA completion, career planning, or college tours, because they have developed this expectation that they are postsecondary bound. CSAs are not a silver bullet to closing the postsecondary attainment gap. Instead, they complement and enhance other community-based programs, such as Promise Scholarships and local college access networks. By promoting postsecondary aspirations and connecting students to resources early, CSAs are the critical catalyst that ultimately leads to success in post-secondary education and training and in life.



# 10

## HOW DOES A CSA WORK?



## 11

## MAKING GOOD: THE BENEFITS OF CHILDREN'S SAVINGS ACCOUNTS

Even small dollars in postsecondary savings can significantly impact students who have lived in low-income households. One study found that low-and moderate-income children whose families [saved even \\$500](#) are five times more likely to graduate from college than those whose families have not saved. Savings for college help children [develop a college-bound identity](#) in which they and their families see themselves as someone who will go to college.

CSAs encourage postsecondary aspirations and connect students with the resources they need to realize their aspirations. Research shows a [strong link between the expectations](#) children hold for postsecondary education and their educational outcomes. According to the Government Accountability Office (GAO), CSA-enrolled families have about [six times more total savings](#) (\$1,851) than other families (\$323). While this savings gap accounts for some quantity of the debt gap, the difference between the two indicates that children and families who have grown up with CSAs are better prepared to manage school expenses as they enter college and throughout their time as students.

CSAs encourage parents to visualize a better future for their children and have greater hopes for the kind of life their children could have. In SEED for Oklahoma Kids (SEED OK), mothers whose children received a CSA at birth [maintained higher expectations](#) for their children's future educational attainment by the time their children reached age four than mothers whose children did not receive a CSA at birth.



## 12

## MAKING GOOD: THE BENEFITS OF CHILDREN'S SAVINGS ACCOUNTS

This parental engagement and optimism are vital to long-term child success, as research has shown a [positive connection](#) between parental expectations and children's future educational attainment. When children have savings accounts from an early age, parents are more likely to believe in their children's potential for success. And subsequently, when parents believe in their children's long-term potential for success, kids are more likely to succeed.

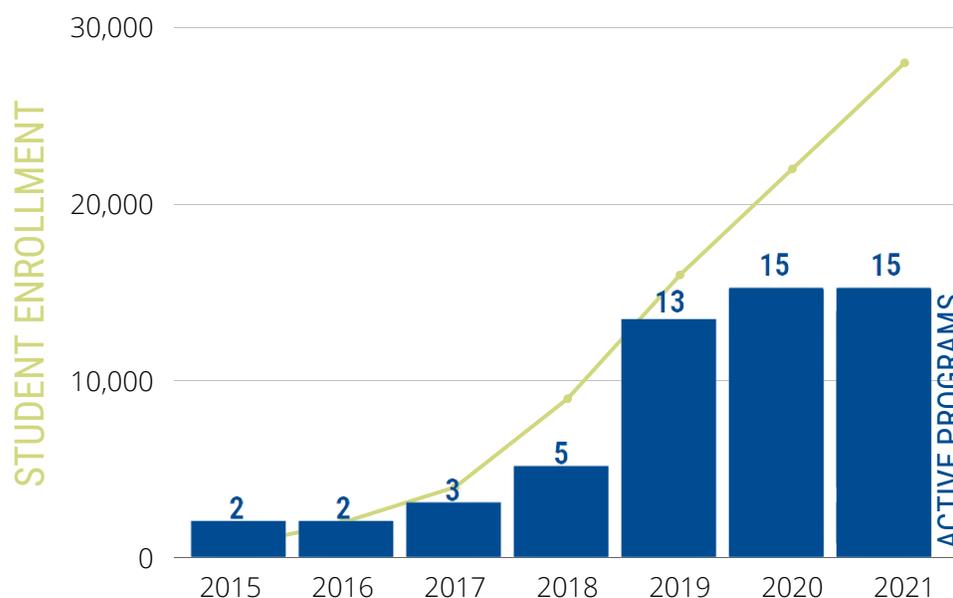
CSAs have shown [tangible positive impacts](#) on the health and development of children and families from an early age, improving the quality of life for the whole family of a child with a CSA. Children with CSAs tend to have improved social-emotional development from early childhood. Moreover, they were better able to identify and understand their feelings, develop empathy, manage strong emotions, and establish and sustain relationships before entering kindergarten. This early social-emotional development can have numerous benefits throughout school and a lifetime and is positively correlated with academic achievement later in life.

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## PROOF OF CONCEPT: MICHIGAN'S CSA FIELD & NETWORK

The Michigan CSA field has substantially expanded since its inception in 2015. Beginning with just two programs ([Lansing SAVE](#) & [KickStart to Career, Barry County](#)) enrolling fewer than 1,000 students, the state's 15 CSA programs now boast over 28,000 students enrolled in 2021. Local programs are currently in operation from southwest Lower Peninsula in Berrien County to the east side of the state in Sanilac and Lapeer counties to the western Upper Peninsula in a joint program between Menominee County in Michigan and Marinette County in Wisconsin.

### MORE PROGRAMS, MORE ACCOUNTS



See *Appendix A* for a complete list of Michigan CSA programs.



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## PROOF OF CONCEPT: MICHIGAN'S CSA FIELD & NETWORK

At present, CSA enrollees comprise only 1.65% of the total student population in Michigan. Still, a recent analysis of these CSA programs reveals the Network is on track to support families that traditionally face barriers to accessing postsecondary education, with 47% of CSA enrolled students being from low- to moderate-income households.

In November 2017, community partners established the Michigan CSA Network. The Network provides current and emerging CSA communities with technical assistance to launch and manage their community-based CSA programs. The launch of the Michigan CSA Network coincided with the state's most significant expansion of CSA programs. In 2021, the state government affirmed its support for CSA expansion in two important ways. First, the [Poverty Taskforce report](#) identified CSAs as a means of alleviating poverty in Michigan. Second, the [state legislature appropriated \\$2M](#) to CSA development.

The Michigan CSA Network is dedicated to bringing CSA programs to scale in Michigan. This means ensuring that all Michigan students, regardless of socioeconomic status, have access to a postsecondary savings account by kindergarten. The Network identified barriers that would prevent statewide expansion, including limited access to funding, technology, and student data necessary to build high-quality programming. Additionally, Network leaders asserted that maintaining local autonomy is essential to cultivating the strong student and family participation that CSAs require. Working with our members, the Network identified recommendations that balance collective action and community control as CSAs expand statewide.

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## STRATEGIC OPPORTUNITY: CREATING STATEWIDE INFRASTRUCTURE TO EMPOWER LOCAL GROWTH

The Network is dedicated to ensuring that all students have access to postsecondary savings by kindergarten regardless of their socioeconomic status. The key to Michigan's growth in CSA programs has been the Network's collaboration with local partners to offer advice, share best practices, and facilitate connections with regional and national partners and experts. Community self-determination is at the heart of Michigan's growing CSA field. As such, the Network proposes CSA expansion statewide that preserves local autonomy while minimizing inefficiencies and increasing programmatic impact.

Current programs could operate more efficiently and have a more significant impact with the support of statewide infrastructure— and their subsequent success could be more easily realized in other communities across Michigan. By empowering autonomous community-based programs to identify and prioritize their local needs, CSAs will foster more highly engaged students and families. Our model of growth promotes a [targeted universal approach](#). The universal adoption ensures that all students will have access to a CSA, reducing program stigma and encouraging broad-based support. The targeted approach asks each community to consider the existing needs of their students and deploy resources in a way that reduces inequalities. Similarly, limited statewide resources should be deployed to assist those communities with the greatest need for support, in particular, low-income rural and urban communities.



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## STRATEGIC OPPORTUNITY: CREATING STATEWIDE INFRASTRUCTURE TO EMPOWER LOCAL GROWTH

The Network has established the following recommendations to expand pathways to postsecondary success and career attainment through the development of statewide infrastructure:

**Designate a coordinating entity:** A 501(c)3 or state agency overseeing the management of the statewide infrastructure will reduce the administrative burden on communities by centralizing technical assistance, program development support, and data access.

- **Establish statewide funding support for CSA program development:** Robust public and private financial support for CSA programs will drive expansion and increase student savings.
- **Develop statewide information system:** A statewide information system available for programs to manage their account and student data enables statewide impact analysis. This capability will help programs make data-driven decisions that allow for the targeted deployment of resources—directing the transfer of resources to students with the greatest need, while also ensuring universal access.
- **Standardize access to student data:** Uniform access to student data enables effective program impact evaluation. Data-driven decision-making will improve community outcomes and program performance.



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## STRATEGIC OPPORTUNITY: CREATING STATEWIDE INFRASTRUCTURE TO EMPOWER LOCAL GROWTH

- **Optimize program design & implementation:** Provide a common set of policies, procedures, and templates to local programs to streamline inefficiencies, avoid common pitfalls, encourage regional programming opportunities, and facilitate smooth student account transfers between programs.
- **Institute standard account design features:** Key account design features play a significant role in the overall success of any CSA program. Designing and implementing an accessible, familiar, and safe account for families is essential to cultivating strong program participation. For details, see Appendix E: Standard account design features
- **Coordinate education and engagement strategies:** Through consistent storytelling and cohesive coalition building, raise awareness among community leaders, policymakers, and funders to build support for CSA expansion. For details, see Appendix F.

## 18

## PROPOSED APPROACH: IMPLEMENTING A STATEWIDE HYBRID MODEL

Robust statewide partnerships among community programs, state agencies, and funders will be essential to the successful expansion of CSAs across Michigan. Through these partnerships, new community and regional programs can tap into statewide supported infrastructure, ensuring the spread of high-quality programming.

The role of statewide oversight in this process will depend on how the Network chooses to expand CSAs across the state moving forward. Our options span the continuum from completely state-driven to entirely locally-driven. The degree of program centralization will impact operational autonomy of local programs, collection and management of participant data, fundraising capabilities, and overall account management.

Greater local control enables community flexibility in program design and implementation can help to ensure that programs can respond to local needs. Still, these community programs need an overarching support organization and technical assistance from regional or national partners. For example, community programs are more likely to partner with local financial institutions instead of state savings programs. State-driven networks can have very efficient central management in data collection and large-scale funder connections. Still, they may lack the local wisdom that enables more specific problem solving and effective relationships with local donors.

The Network believes an ideal statewide structure for Michigan would borrow from across the spectrum of state- to locally-driven examples.



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## PROPOSED APPROACH: IMPLEMENTING A STATEWIDE HYBRID MODEL

Offering a hybrid design will increase program uniformity, expand access to state funding, and decrease program inefficiencies through economies of scale. Based on these priorities and demonstrated success in other states (e.g., [Pennsylvania](#) and [Nebraska](#)), modeling our approach after [Promise Indiana](#) presents an ideal route to success. Promise Indiana works with local communities to develop a CSA program that meets their communities' needs while leveraging state resources and structure. They have a set of shared values, standards, and features across all programs, enabling their rapid expansion. However, unlike Michigan, they partner closely with Indiana's CollegeChoice 529 Direct program to manage participant accounts, whereas our communities choose the account vehicle that suits them best. The Indiana Promise has seen substantial growth in recent years, from just [one county to 27 counties](#) at present, and they are planning for expansion to other communities.

Recognizing the power community-based programs have in building trust and participation among their families and communities is essential to creating an effective statewide program. Centralization of critical program infrastructures will provide needed support to local programs. In turn, these programs can benefit our statewide infrastructure as they promote participation and awareness in their communities and ensure that programs meet unique local needs. This shared responsibility structure is our key to making the CSA network effective. People are more likely to participate in programs attuned to local conditions, and this local engagement will lead to better outcomes for communities.



## 20

## PROPOSED APPROACH: IMPLEMENTING A STATEWIDE HYBRID MODEL

Studies demonstrate a connection between [community trust and successes](#) (e.g., stronger volunteerism, healthier residents, and economic prosperity). The Network hopes that CSA engagement generates some of these benefits for their communities and recommends that communities prioritize the following to support sustainable community development:

- **Community-specific outcomes:** Local programs adopt a set of community-specific outcomes that their program will address. For example, some communities might focus on decreasing the unbanked population or increasing positive behaviors in the classroom. These outcomes should promote community awareness and support for the program.
- **Specialized incentives:** Local programs should retain the authority to provide incentives specific to their program's goals and promote positive behaviors and performance in their students, leading to postsecondary success.
- **Financial education:** Local programs provide in-classroom financial education to students during their K-12 educational experience to prepare them to make smart financial decisions in adulthood.
- **Parental engagement:** Parental engagement is essential for meaningful student participation, especially during the first several years of involvement in this program. Local programs can support and encourage parents to discuss the importance of saving and planning for postsecondary education with their children, which will help families identify this as a viable opportunity and set children on a path to success.



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## PROPOSED APPROACH: IMPLEMENTING A STATEWIDE HYBRID MODEL

In addition to adopting these recommendations, the Michigan CSA Network will work with communities to partner their CSA program with complementary initiatives to improve shared outcomes. CSA programs are well-positioned to help families plan, save, and prepare for postsecondary education. When combined with a Local College Access Network (LCAN), Promise Zone, Financial Empowerment Centers (FEC), or other community support, these programs offer a spectrum of support that can go through and beyond postsecondary success. For a map of existing postsecondary resources in Michigan, see Appendix C.

[BOLD Lansing](#), a premier example of the integrated service model, is a collection of partners that empower Lansing students and families to attend college and become financially independent. The BOLD Lansing includes the following programs:

- Lansing SAVE
- Capital Area College Access Network (CapCAN)
- Lansing Promise
- MSU Federal Credit Union
- Capital Area United Way
- Lansing Financial Empowerment Center

BOLD partner organizations work together to create a shared identity that promotes postsecondary completion and household financial stability. BOLD's network connects students and their families to a community of support and access to resources that helps them pursue improved educational and economic outcomes.



# 22

## **PROPOSED APPROACH: IMPLEMENTING A STATEWIDE HYBRID MODEL**

Under our proposed statewide model, community programs remain at the core of our expansion. Statewide infrastructure, funding, and technical assistance will ensure program effectiveness and local program efficiency. The state coordinator will take steps to ensure that the network functions efficiently by providing support and best practices to the growing number of community programs, overseeing network operations, and supporting state-level fundraising efforts. The coordinator will take feedback and performance data from local programs and recommend operational changes as part of this role. Funding will primarily serve to support new program development and infrastructure. Local programs will work to cultivate local donors to fund program operations and increase student savings.

Ideally, the organization to oversee a statewide CSA support function could be a state government department or statewide 501(c)(3), as noted in the example above. Several organizations can integrate these responsibilities into their existing programming, including but not limited to Departments of Treasury, Labor and Economic Opportunities, and Community Economic Development Association of Michigan. The recent state appropriation positions Michigan to support an organization that oversees this statewide infrastructure.

# 23

## CONCLUSION

CSAs have a vital role to play in closing Michigan's postsecondary achievement gap and promoting inclusive economic growth in the state. These small-dollar accounts have the ability to change the trajectory of a child's life starting at an early age. The recommendations in this document are designed to create a uniform, sustainable, and inclusive future for Michigan's CSA field.

Through a combination of local and state investment, Michigan is poised to make these recommendations a reality and expand CSAs to all children in a way that prioritizes the balance between centralized efficiency and localized excellence. As MI CSA Network continues to encourage the development of new CSA programs, we hope that communities across Michigan will feel a newfound sense of ownership and pride in their children and their future educational success.

## 24

# ACKNOWLEDGMENTS

The collective efforts of the **MI CSA Network Policy Committee** made this paper possible. A special thank you to the following members for their contributions, edits, and support:

- Community Economic Development Association of Michigan
- Michigan Promise Zones Association
- Michigan College Access Network
- City of Lansing
- Lansing Promise
- Capital Area College Access Network
- Fremont Area Community Foundation
- Lapeer County Community Foundation

We would like to especially thank **Chuck Wilbur**, the Executive Director of the Michigan Promise Zones Association. CSA programs lay a strong foundation for interventions that come later in the K-12 experience, and we're grateful to have Chuck as a thought partner in this work.

Finally, thank you to **Charles Stewart Mott Foundation** for championing the Michigan Children's Savings Account Network from the beginning. Our field wouldn't be positioned to invest in success without you.



# 25

## APPENDIX A: MICHIGAN CSA PROGRAMS

- KickStart to Career, Barry County
- Lansing SAVE, City of Lansing
- KickStart to Career, Newaygo County
- The Buchanan Promise CSA Kickstart to Career, Buchanan School District
- Promise Fund, Sanilac County
- Jim Myers K2C Fund, Madison Public School District
- Kickstart to Career, Muskegon County
- Jackson Save, Jackson County
- Cass KickStart to Career, Cassopolis Public Schools
- KickStart to Career, Mason County
- Future Fund, Menominee (MI) & Marinette (WI) Counties
- KickStart to Career, Les Cheneaux Area
- Lapeer County LEAF, Lapeer County
- 1st to Finish, Marquette Area Public Schools
- Cass City Promise, Cass City Public Schools



## APPENDIX C: STANDARD ACCOUNT DESIGN FEATURES

Promoting a standard set of account design features promotes family participation and reduces administrative issues. Instituting accounts design features that are accessible, familiar and safe will reduce institutional distrust and increase low-income participation. Additionally, having a standard set of account design features will enable program to program transfer of student accounts and reduce errors during the transfer process.

Typically, CSA programs utilize either a basic savings account or 529 for their program. While it is not necessary to mandate the exact account type that all communities should use as part of their CSA program, we recommend the following guidelines for accounts:

- **Universal eligibility:** All students in families across the entire socioeconomic and geographic (rural, urban, suburban, and tribal) spectrum are eligible to join the program by kindergarten. No students, including undocumented individuals, should be excluded from participating in the program.
- **Automatic enrollment:** Also known as “opt-out,” automatic enrollment ensures that all children benefit and that parents are not required to act to open the account. With automatic enrollment, opening an account is quick and easy. However, parents retain the right to withdraw their children at any time (or parents may opt out of receiving communications while the child maintains their account).



## 28

## APPENDIX C: STANDARD ACCOUNT DESIGN FEATURES

- **Automatic initial deposit:** Each student account receives an initial “seed” deposit upon enrollment to foster savings. An initial deposit of \$50 is most common in Michigan; however, communities should strive for a higher initial deposit for students from low-income households.
- **Progressive community contributions:** Community contributions, often referred to as incentives, are deposited into student accounts for completing certain activities, like showing academic progress or attending financial education. Progressive Incentives are structured to provide additional funds to students with lower household incomes, maximizing savings even if family contributions may be challenging.
- **Easy deposit options:** Programs should provide families with multiple deposit options and accept various payment types (i.e., cash, check, money order) at numerous locations (in-school, direct deposit/electronic transfer, in-branch).
- **Dual account structure:** CSA programs can use a dual account structure, including the primary account containing community contributions and a secondary student account containing personal contributions, separating the two protects public or philanthropic donations.
- **Restricted withdrawals:** Restricted withdrawals limit how and when students may use the asset. Programs typically allow for expenses from qualified trade schools, colleges, and universities inside or outside the State.



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## APPENDIX C: STANDARD ACCOUNT DESIGN FEATURES

- **Virtual account access:** Provide students and families with virtual access to their accounts.
- **No minimum deposits:** For lower-income families, especially families on a fixed income, being able to deposit smaller amounts could make it easier for them to open college savings accounts and automatically contribute as part of their monthly budget.
- **Language access:** Marketing materials, applications, and disclosures should be provided in other languages and English, such as Spanish or Arabic depending on the region.
- **Default investment type:** Programs using 529 or other investment accounts should provide families with automatically selected investment options. If enrollees want to choose another option, they would have the ability to do so at any time. The ideal default investment should be some age-based mutual fund invested more conservatively as the designated beneficiary gets older and closer to college age.

## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

In recent months, CSAs in Michigan have been thrust forward into the spotlight by the Whitmer administration as part of a broad-based approach to [alleviating poverty](#) in Michigan. Despite that recognition, this program is still not widely known. Continuing to raise awareness among funders, policymakers, and the general public will advance the recommendations outlined in this document. Developing a comprehensive education and engagement plan is essential to raising awareness and securing the long-term viability of the CSA field in Michigan. This broad education and engagement plan should:

- Enhance general knowledge of the CSA field
- Spur new program development and investment in CSA programs and infrastructure
- Advance mutually beneficial partnerships with other organizations focused on postsecondary completion, positioning CSAs as an early awareness strategy
- Facilitate equitable participation by students and families, especially from low- and moderate-income, marginalized, and underrepresented households

A shared narrative that helps us identify the benefits of our CSA network and create cohesive bonds between community programs is central to expanding CSAs in Michigan. Through this shared narrative, active partners can spread awareness about CSAs in a manner consistent with the rest of the field, ensuring that we create more high-quality community-based programs.



## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

This shared narrative will also aid in our engagement efforts as funders, state officials, and community leaders come to recognize, understand, and support our goal of decreasing the postsecondary achievement gap. A statewide strategy to raise awareness for Children's Savings Accounts in Michigan is outlined below, and we believe this will help us to achieve the goals listed on page 16.

### Focusing on core arguments

While the overall goal is to reduce the postsecondary achievement gap communities utilize CSAs to pursue a wide range of community outcomes, narrowing our field to promote a core set of arguments is necessary to ensure that CSAs are associated with those most beneficial and realistic long-term goals. As part of this awareness strategy, we recommend that we center our core arguments for Michigan's CSA field around the following topics:

- The principal goal of CSAs is **workforce and talent development through postsecondary completion**. Expanding postsecondary completion in a community creates a more robust workforce ready for tomorrow's jobs, which provides a competitive economic edge.
- **Financial education, inclusion, and banking access** are central to creating financially stable households. Financial literacy combined with building a relationship with financial institutions at an early age increases trust in financial institutions and promotes access to safe and affordable financial services in the future.



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## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

- **Community ownership** ensures that local leaders, funders, and families have a more significant say in how their program operates. By maintaining a high level of program autonomy, individuals and families living in CSA communities can make decisions that best meet their children's needs.
- **Public-private partnerships** are fundamental to the success of CSA programs. These programs rely on public, private, and philanthropic sectors to create both the savings product and program. These diverse partnerships bring together leaders from many sectors that are invested in the future success of their community.
- **Early childhood development** means that children receive transformational resources and education that sets them on a path to success. In addition, CSAs improve the downstream effects of other postsecondary achievement programs and provide families with a greater sense of hope for their child's future.

Working with national, state, and local CSA leaders, we will develop these core arguments to form the foundation of Michigan's CSA messaging. This messaging will work congruently with national and regional CSA awareness efforts, and we will seek to align our engagement efforts accordingly. The primary audience for these core arguments is state officials, community leaders, and funders, with a secondary emphasis on the general public.



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## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

A central organization should coordinate a series of planned activities that will increase the education and engagement of the CSA network. These activities should take guidance from the recommendations in this document and align with national and regional CSA awareness efforts to complement the work already being done by partners (e.g., the State, MCAN, Midwest CSA Consortium, and the Michigan Promise Zones Association). The coordinating agency should consider the following activities, though there are undoubtedly more options:

- Institute the education and engagement action plan
- Establish a CSA awareness day in Michigan, which can include media engagement, legislator events, fundraising, and other coordinated efforts to raise the profile of CSAs
- Develop media and marketing materials
- Conduct engagement training with CSA programs and partners to ensure message uniformity
- Host meetings, webinars, and conference calls with funders, policymakers, and community leaders
- Share program stories and host community events to increase student and family participation and enthusiasm



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## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

### **Materials**

The CSA network will need to produce a series of ready-to-use materials that promote Michigan's CSA message. These can include FAQs about CSA basics, webinars, op-eds, blogs, and training materials with varying levels of specificity and brevity to educate partners about the importance of CSAs. These materials will need to be flexible enough to be used by local programs but consistent with statewide efforts.

In order to maintain consistency, the network should establish branding guidelines and messaging that aligns with our core arguments. Ideally, these materials will enhance both state and local awareness efforts simultaneously. Creating a centralized educational resource repository supported by technical assistance is necessary to ensure compliance with messaging and prevent counterproductive and misaligned engagement efforts.

### **Engagement opportunities**

A central agency needs to plan a series of engagement activities with the support of the Michigan CSA field as part of the education and engagement efforts. These engagement opportunities should support the statewide advancement of CSAs, promoting the CSA brand and connecting with similar postsecondary achievement efforts in Michigan. These engagement opportunities should include:



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## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

- Quarterly MI CSA Network Meetings
- Semiannual CSA introductions and brand compliance training
- Michigan CSA Awareness Day
- Regular check-in meetings with state officials
- A statewide fundraising campaign

### Two-year Timeline & Action Plan

#### *January 2022 - December 2022*

- Promote the “Invest In Success” CSA policy framework paper
- Disseminate op-eds, blogs, and other educational materials
- Develop CSA core argument educational materials
- Host the MI CSA Network quarterly meetings
- Partner with national or regional CSA awareness efforts
- Host CSA introduction and core principles training
- Create a centralized CSA educational material repository, including FAQs, design guides, program operations manual
- Engage with funders and state officials to develop financial support for 2022-23 CSA expansion and infrastructure development
- Work with the State of Michigan to build spending, evaluation, and distribution process for state-supported CSA incubation funding as well as establish a lead agency to oversee CSA development in the state



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## APPENDIX D: EDUCATION AND ENGAGEMENT STRATEGY

- Support the distribution of CSA funding programs and communities
- Plan and prepare for a 2022 CSA awareness day
- Provide technical assistance to state-funded CSA incubation projects
- Conduct annual impact metrics survey

### *January 2023 - December 2023*

- Promote the “Invest In Success” CSA policy framework paper
- Disseminate op-eds, blogs, and other educational materials
- Refine all education and engagement materials as needed
- Host the MI CSA Network quarterly meetings
- Partner with national or regional CSA awareness efforts
- Host CSA introduction and core principles training
- Host the MI CSA Network quarterly meeting
- Share Michigan promising best practices with regional and national partners
- Host a Fall 2022 CSA Awareness day
- Compile impact evaluations of state-funded CSA incubation and produce a report
- Engage with funders and state officials to develop financial support for 2023-24 CSA expansion and infrastructure development