

DESIGNING CSA INITIATIVE METRICS AND TRACKING PROGRAM DATA

NATIONAL LEAGUE OF CITIES: CSA LEARNING COLLABORATIVE
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The Importance of Interim Measures

- When thinking about the role Children's Savings Accounts (CSAs) may play in increasing college enrollment and completion rates, researchers, practitioners, and policymakers tend to focus on their ability to help children pay for college. That is **too narrow** a frame.
- The emerging research linking asset development with children's academic achievement and college preparation suggests that CSAs may be a valuable tool for addressing long-term barriers to **closing the college attainment gap**—including **inadequate achievement along the way**—as well as **insufficient financial resources**.
- Because the CSA programs considered in this presentation start at birth or in kindergarten and have increasing college enrollment as one of their primary long-term goals (i.e., long-term outcome metrics), it is **critical to identify interim outcomes that have been shown to be strong predictors** of children's enrollment in college (i.e., short-term outcome metrics).
- Importantly, there **must be theoretical and/or empirical evidence** that suggests that CSAs are expected to have a positive effect on the metric that, in turn, is shown to be an important predictor of college enrollment.

Our Definition of CSAs & Their Potential Impact

- CSAs are savings vehicles, most commonly designed to help families and children begin planning for college at birth or starting in kindergarten. CSAs usually allow deposits from children, their parents, other relatives, as well as third parties.
- These investments are leveraged with an initial 'seed' deposit matching funds and/or benchmark incentives adding public or philanthropic funds to families' savings.
- Significantly, this early initiation of a savings intervention may afford not only greater asset accumulation but also the cultivation of educational expectations and engagement that, then, can catalyze superior achievement.

Why Interim Measures Matter

- There is mounting evidence that shows early investment in children is critical to how they perform in school.
- As programs are being implemented across the Nation, it's important to measure the effectiveness of the program across multiple indicators (**cognitive & non-cognitive**).
- Political realities & economic concerns by States and Municipal governments require the proper stewardship of public dollars and monitoring and evaluation is a pre-requisite.

Savings Behaviors as Interim Measures

Measure	Source of Data
Take Rate (Opt-In Programs ONLY)	CSA Program/Administrator
% of Accounts With At Least One Contribution	CSA Program/Administrator
Direct Deposit into CSA	CSA Program/Administrator
Net Savings as a % of Family Income	CSA Program/Administrator
Savings Frequency	CSA Program/Administrator

Socio-Emotional Development as Interim Measures

- Children who are socially and emotionally developed are better able to “manage their emotions, calm themselves when angry, establish positive relationships, make responsible and safe decisions, and handle challenging situations constructively and ethically” (Price, 2015)
- Rigorous experimental studies conducted by education researchers show a causal link between socioemotional well-being and academic achievement (Durlak, Weissberg, Dymnicki, Tylor and Schellinger, 2011).
- Research from SEED OK indicates that infants from households with incomes lower than 200 % of the poverty line who were randomly assigned to receive CSAs demonstrated significantly higher social-emotional skills at age four than their counterparts who did not receive a CSA (Huang, Sherraden, Kim, & Clancy, 2014)

Measure	Source of Data
Social-Emotional Well-Being	Research Survey

Math & Reading Scores as Interim Measures

- Children's academic achievements are important as reflections of children's academic preparation and, then, likelihood of future academic success.
- Children who cannot read well in third grade cannot use reading as a tool to engage with school, do their homework, or study for exams (Lloyd, 1978).
- Effects are particularly strong for low-income and minority students. Other research indicates that third grade reading is a positive predictor of college attendance (Lesnick, Goerge, Smithgall, & Gwynne, 2010)

Math & Reading Scores as Interim Measures

- Lee (2012) demonstrates the effects of early math performance on the likelihood of entering and completing two and four year colleges.
 - ▣ Moreover, a lack of math proficiency may also preclude students' consideration of certain career paths, including highly compensated science and technology fields (Nicholls, Wolfe, Besterfield-Sacre, Shuman, & Larпкиattaworn, 2007).
- The strong correlation of reading and math proficiency with enrollment in college may make them ideal outcomes to measure for CSA programs that explicitly focus on college access and completion, particularly if the CSA programs are located within educational institutions, with easier access to student's academic data/measures.

Math & Reading Scores as Interim Measures

<u>Measure</u>	Source of Data
Primary Education Outcomes	
Unexcused Absences	School District/Department of Education
3 rd & 5 th Grade Reading & Math (State Assessment)	School District/Department of Education
<u>Measure</u>	Source of Data
Secondary Education Outcomes	
Geometry/Trigonometry/Calculus	School District/Department of Education
Advanced Standing Classes	School District/Department of Education
SAT/ACT Scores	School District/Department of Education
FAFSA Completion	School District/Department of Education
High School Graduation	School District/Department of Education

Parents' and Children's Educational Expectations as Interim Measures

- Evidence to date suggests that CSA programs might have important impacts on children's noncognitive functioning (e.g., children's socioemotional wellbeing and identity formation). This is not inconsequential
- Effects on noncognitive skills might be particularly important because while noncognitive skills promote the development of cognitive skills, there is little evidence to suggest that cognitive skills promote the development of noncognitive skills (Cunha & Heckman, 2008).
- One of the driving forces behind interest in CSAs is the potential they have shown for changing the way people think about their futures.
- Yadama & Sherraden (1996) find evidence of what they call a “virtuous circle,” where assets increase the chance of having more positive attitudes and behavior, and attitudes and behavior, in turn, increase the chance of having assets.
 - Zhan and Sherraden (2011) find that financial assets are positively related to parents' and children's educational expectations (i.e., financial assets are associated with college expectations).

Parents' and Children's Educational Expectations as Interim Measures

- To help explain the effects of small-dollar accounts and help others understand the value of even low levels of asset accumulation, Elliott (2013a) hypothesized that when a child reports designating savings for college, it indicates that college is on the child's mind and that the child perceives college as near, not far away.
 - In a study of 51 fourth-grade children in a college savings program, Elliott, Sherraden, Johnson, and Guo (2010) find that children who are in the school savings program are statistically more likely to perceive that saving is a way to help pay for college than are children in a comparison group.
- Educational expectations are one important way of measuring how CSAs may change the way children and parents think about children's academic futures.

Parents' and Children's Educational Expectations as Interim Measures

Measure	Source of Data
Parental Post-Secondary Expectations for Child	Research Survey
Child Post-Secondary Expectations	Research Survey
Teacher Post-Secondary Expectations for Child	Research Survey
Perception of Savings as a Way to Overcome the Difficulty of Paying for their Post-Secondary Education	Research Survey

Longer-Term Measures

Access, Completion & LT Financial Health

- For most people College is NOT an end but a means to an end.
- CSA programs that target college as a primary goal do so not solely for the purpose of having educated citizens but also to reduce inequality, stimulate prosperity, and provide wider economic opportunity.
- College access and completion, while long-term outcome metrics, are also interim measures with the end goal of producing financially healthy adults and a productive workforce.
- Children's Savings Accounts can have powerful educational effects, as described above, but they can also serve as the initial asset platform leveraged for later economic mobility.

Longer-Term Measures

Access, Completion & LT Financial Health

Measure	Source of Data
Post-Secondary Enrollment	CSA Participant/CSA Program Administrator
Post-Secondary Graduation	CSA Participant/CSA Program Administrator
Amount of College Debt (Ages 25 & 40)	CSA Participant/Research Survey
Participants' Assets (Ages 25 & 40)	CSA Participant/Research Survey

Trade Offs CSA Programs Must Consider

- It is generally understood that evaluation is needed for the innovation and sustainability of CSA Programs; there are tradeoffs programs must consider.
- Evaluations that are factored into the design of the program have the potential of being much more rigorous than those that start after.
- Due to the cost of evaluations programs have to decide on whether to invest their limited resources into the evaluation or to provide larger initial deposits, matches, or incentives.
- Evaluation increases the cost of programs and also may delay their implementation because evaluators need time to put together a defensible research design.
- There are also tradeoffs when trying to determine which interim measures programs should be evaluated.

Thank You

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Children's Savings Account [Landing Page](#)



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