June 2009

A Process Study of the SEED Community Partners Initiative

Prepared for

The Ford Foundation
320 E. 43rd Street
New York, NY 10017

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1. INTRODUCTION AND OVERVIEW

SEED—Saving for Education, Entrepreneurship and Downpayment—is an ambitious initiative designed to develop, implement, and test various approaches for building assets in children's savings accounts. The initiative targets children and youth from lower-income families and communities. The premise is elegant and simple: open savings accounts for children with an initial deposit and match additional deposits to help build assets for goals such as post-secondary college or training. Many managers, funders, and researchers associated with the SEED initiative have seen programs face challenges as they try to promote SEED and open savings accounts, and they ask: What are the processes used to plan, initiate, and implement SEED programs? What facilitators and challenges have programs faced? How have programs used the facilitators and how have they dealt with the challenges?

Because current SEED programs have valuable lessons to offer, the Ford Foundation funded research to systematically obtain data and describe and assess components of the SEED implementation process to:

1. document SEED operations at each site;
2. determine which factors are particularly effective and efficient at each site;
3. understand factors that promote and inhibit SEED operations;
4. ascertain how SEED operations may be associated with SEED outcomes; and
5. identify factors that program planners and policy makers should heed as they design initiatives and try to achieve maximum levels of success.

To address these matters, RTI International and the University of Kansas (KU) conducted a process study of SEED programs at 12 community-based programs referred to as "community partners." RTI made site visits, during which researchers conducted interviews and collected and reviewed documents. KU conducted focus groups with parents participating in the programs.

The process study components that RTI conducted answer a "who, what, when, where, and why" series of questions to document efforts and provide information that can benefit both extant operations and planning for comparable initiatives. The overarching research questions for these components of the SEED process study are:

- *Who* is responsible for SEED operations? What are their job functions? What training do they have, and what resources are available to support their responsibilities? Who oversees their work? To whom are they accountable?
- *What* does SEED consist of at the various sites? What is the nature of the program? What services do programs offer to prospective participants and enrollees? Why did SEED planners and managers choose these features? How have they been received? Do people participate? Why or why not?

- *When* and *where* do SEED activities occur? Are they at times and locations convenient for prospective participants? For example, do after-school programs fit well or conflict with other school activities (such as sports events)? Do educational classes for adults complement their work schedules? Is transportation an issue? If enrollees need to make trips to the bank, can they get there?
- *Why* were various program features offered, removed, or adapted? What real-world experiences inform these decisions?

The focus groups that SEED researchers from KU conducted with SEED parents were guided by three overarching questions:[1]

- How do parents decide to participate in SEED?
- How do parents decide to open accounts?
- How do parents save in their children's accounts?

Outline of the Report

In the sections immediately following, we provide information about the overall SEED initiative and research methods used to conduct site visits and focus groups, which form the information base used in this study. In Part II, we describe key features of the community partner programs to (1) record aspects of program operations that may be particularly useful in designing comparable initiatives and (2) set the stage for associating these features with program results. Part III lists "lessons learned" from the SEED process study.

The SEED Initiative

SEED is a national initiative to develop, test, and promote matched savings accounts for children and youth, especially those from lower-income families and communities. SEED accounts are long-term savings and investment accounts established at early ages. Many begin with a gift of an initial deposit of up to $1,000 and grow over time as family, friends, and accountholders deposit funds into the accounts, which are matched by contributions from the SEED program.

Twelve community-based programs are a central focus of the SEED initiative. Based on the success of the American Dream Demonstration,[2] which established individual development accounts to help low-income families save to purchase homes and achieve other goals, the SEED community partners program was designed to explore and assess the potential of accounts for young people, with concurrent research to fill knowledge gaps. The request for proposals issued in March 2003 stated:

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[1] While the focus group discussions covered these "how" questions, a report from another SEED study involving a cross-section survey of parents will include information on "why" parents decided to participate in SEED. See Adams, D. & Wittman, L. (forthcoming). *SEED parent survey.* SEED Research Report. Lawrence, KS: University of Kansas School of Social Welfare.

[2] Mills, G., Patterson, R., Orr, L., & DeMarco, L. (2004, August). *Evaluation of the American dream demonstration: Final evaluation report.* Cambridge, MA: Abt Associates Inc.

> At present little is known about the real potential of SEED accounts—about how they may be best structured and supported; about their psychological, social, behavioral, and economic effects; about the policy structure most likely to garner support; or about the system best able to deliver them effectively and efficiently. What is known is that people—even poor people—can and will save, given the right supports. And when they do, their growing assets change attitudes and behaviors as well as economic and social opportunity. Experience shows that savings tools, community practice, public policy, private markets, and political understanding evolve best when they evolve together.[3]

Many organizations are involved with the community partners component of SEED:[4]

- The Ford Foundation has been the primary funder of both the SEED initiative and its research studies.[5]
- The Center for Social Development (CSD) at the George Warren Brown School of Social Work at Washington University is home to Michael Sherraden, a key visionary in the field of asset development. CSD staff design and implement a wide array of SEED activities and research studies, including monitoring SEED accounts, which provides critical knowledge about the initiative's accomplishments especially in terms of savings amounts.
- The School of Social Welfare at KU is home to Deborah Adams who collaborated with Michael Sherraden to develop the SEED research agenda. KU personnel have led several studies.
- CFED, formerly the Corporation for Economic Development, provides leadership and technical assistance to the SEED initiative. CFED is responsible for overseeing the SEED program components at the community partner programs.

Through a competitive process, 12 community-based organizations were selected to participate in the SEED initiative. Information about them is presented in Exhibit 1.

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[3] *Saving for Education, Entrepreneurship, and Downpayment: A national policy and practice initiative to explore the efficacy of long-term savings and investment accounts for all American children. An invitation to partners—Request for full proposals*. (2003, March). Organized by Corporation for Enterprise Development, Washington, DC; evaluated by Center for Social Development at Washington University and School of Social Welfare at University of Kansas, p.4.

[4] Additional SEED partners are listed at http://csd.wustl.edu/AssetBuilding/SEED and http://www.cfed.org.

[5] Other funders of the SEED Policy and Practice Initiative include the Charles and Helen Schwab Foundation, Jim Casey Youth Opportunity Initiative, Citigroup Foundation, Ewing Marion Kauffman Foundation, Charles Stuart Mott Foundation, Richard and Rhoda Goldman Fund, Metlife Foundation, Evelyn and Walter Haas, Jr. Fund, W. K. Kellogg Foundation, and Edwin Gould Foundation for Children.

Exhibit 1. SEED Community Partners

Beyond Housing, St. Louis, MO   Since 1974, Beyond Housing has offered programs to transform the lives of residents in the St. Louis region. It integrates rental housing, community building, and homeownership services to create a comprehensive and holistic approach to helping families and communities. The Beyond Housing SEED initiative is part of its "I Can Save" program, a university-community partnership dedicated to increasing financial assets among families and improving the conditions for academic achievement among low-income children. It offers SEED accounts to local elementary school students.
Boys & Girls Club of Delaware, Wilmington, DE   The Boys & Girls Club of Delaware is part of a nationwide movement to inspire and enable all young people, especially those from disadvantaged circumstances, to realize their full potential as productive, responsible, and caring citizens. Established in 1931, the clubs provide a safe place to learn, grow, and have fun; character and value development experiences; and opportunities for family and community involvement. Administered though the Clarence Fraim Boys & Girls Club, the SEED initiative focuses on middle-school students.
Cherokee Nation, Tahlequah, OK   Cherokee Nation is the federally recognized government of the Cherokee people. The Cherokee Nation's mission statement is "ga du gi," working together as individuals, families, and communities for a quality of life for this and future generations by promoting confidence, the tribal culture, and an effective sovereign government. The Cherokee Nation offers SEED accounts to Cherokee foster children and American Indian students attending the tribally operated Sequoyah High School.
Foundation Communities, Austin, TX   Foundation Communities is a nonprofit organization that provides affordable rental housing, asset-building opportunities, and educational services to families and individuals with low incomes in three Texas communities. Founded in 1931, it has developed a model of service-enriched housing that enables families with low incomes to permanently improve their educational and economic standing. Building on its services for youth, including school readiness, after-school, and teen programs, Foundation Communities offers SEED accounts to bilingual elementary school students.
Fundación Chana Goldstein y Samuel Levis, San Juan, PR   Founded in 1998, Fundación Chana Goldstein y Samuel Levis promotes the social, economic, and cultural well-being of Puerto Rico by investing in initiatives that empower the people of the island. It operates and funds model pilot programs and research to endow children with knowledge and experience necessary to contribute to their communities and prepare them for an expanded future. Fundación works with Doral Bank and Center for the New Economy to offer SEED accounts to Spanish-speaking first- and second-grade students.
Harlem Children's Zone, Inc., New York, NY   Founded in 1970, the Harlem Children's Zone is dedicated to supporting and promoting the well-being and healthy development of children in some of New York City's most devastated neighborhoods. The emphasis of its work is not just on education, social service, and recreation, but on rebuilding the very fabric of community life. The Harlem Children's Zone intentionally develops programs in areas where other agencies are not located and poor children and families have nowhere else to turn for help. The Harlem Children's Zone administers SEED accounts to children in its Harlem Gems Universal Pre-Kindergarten programs.
Juma Ventures, San Francisco, CA   Since its inception in 1993, Juma Ventures has helped youth from San Francisco's lowest-income neighborhoods gain work experience, exposure to opportunities, and preparation they need to position themselves for advancement into post-secondary education and career oriented employment. In addition, Juma Ventures provides youth with a solid economic foundation by teaching them financial skills and offering them tools to build personal assets. With the oldest and largest youth Individual Development Account program in the country, Juma Ventures uses its experience to provide SEED accounts to high-school–aged students.

(continued)

Exhibit 1. SEED Community Partners (continued)

Mile High United Way, Denver, CO Mile High United Way is the first United Way in America's history. Established in 1887, it has served residents of Denver, Colorado, for more than a century to unite and focus the community's resources to help people help themselves. It envisions a community working together to make life better for everyone. Mile High United Way offers SEED accounts to high school–aged foster children through its "Opportunity Passport" program, a Jim Casey Youth Opportunity initiative.
Oakland-Livingston Human Service Agency (OLHSA), Pontiac, MI OLHSA is a community action agency that has served the residents of Oakland and Livingston counties since 1964. Its mission is to enable low income, elderly, and persons with disabilities to become self-sufficient. As the experimental site in the SEED initiative, OLHSA plays an important role. It partners with the Michigan Department of Treasury to offer 500 post-secondary education SEED accounts to 3 and 4 year olds in Head Start. The accounts are held in the 529 program managed by the Treasury.
People for People, Philadelphia, PA People For People, Inc., was founded in 1989 to promote community revitalization through renewed entrepreneurial energy and educational and enrichment opportunities for parents and their children. It also encourages the personal betterment of low-income residents of the North Central Philadelphia area through educational and training opportunities. The People for People Charter School and the People for People Community Development Credit Union partner to deliver SEED accounts to fifth- and sixth-grade students.
Sargent Shriver National Center on Poverty Law, Chicago, IL The Shriver Center, a national resource, champions law and policy, promoting equal opportunity and support for low-income individuals, families, and communities so that they can escape poverty permanently. Established in 1967, the Shriver Center brings considerable policy expertise and practical experience to the SEED initiative. It partners with the William M. and Charles H. Mayo Elementary School in Chicago to deliver SEED accounts to students in kindergarten through the fourth grade.
Southern Good Faith Fund, Pine Bluff, AR The Southern Good Faith Fund is a nonprofit affiliate of the Southern Development Bancorporation. Since 1988 it has worked to increase the incomes and assets of low-income and low-skilled residents of the Mississippi Delta in Arkansas and Mississippi—one of the poorest areas in the United States. The Southern Good Faith Fund partners with a range of community partners in Phillips County, Arkansas to deliver SEED accounts to preschool students. Partners include early childhood programs, the local public school system, faith- and community-based organizations, and financial institutions.

Source: CFED (http://www.cfed.org/focus.m?parentid=288&siteid=288&id=297).

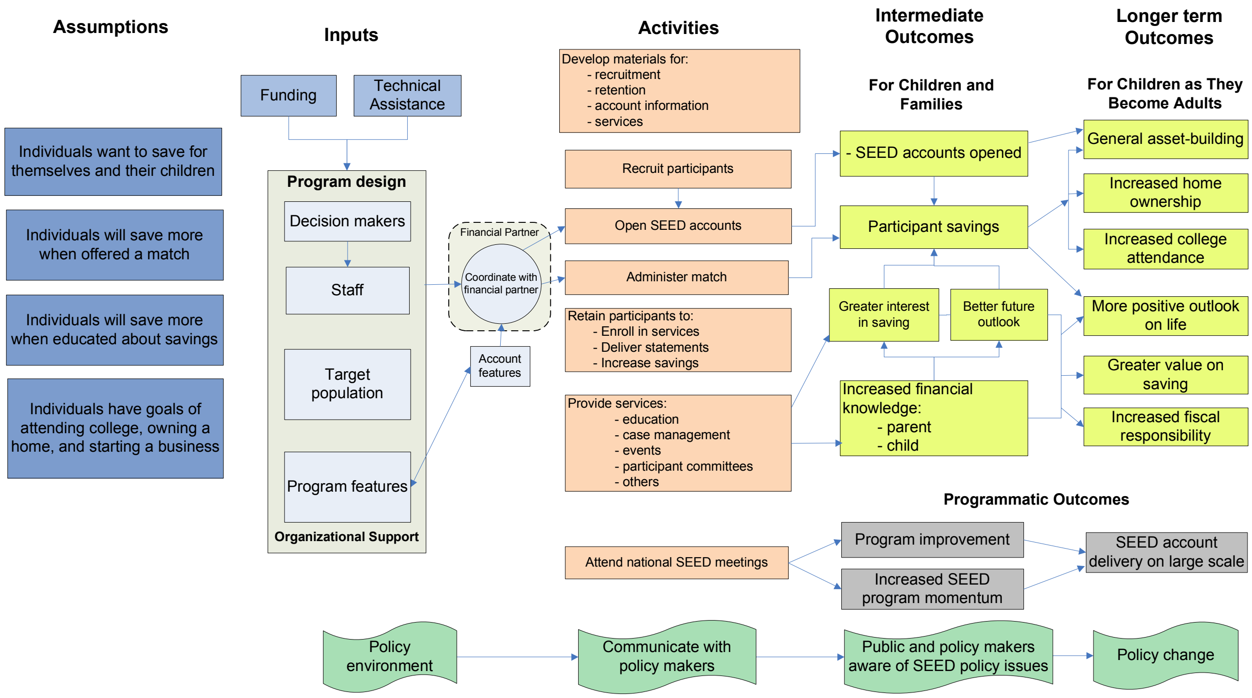
Research Methods

The process study of the SEED programs was added to the overall research plan for the initiative when it became clear that community-based SEED programs were experiencing unanticipated difficulties enrolling participants and opening accounts, despite offering initial deposits as "gifts" to participants and providing the opportunity to have subsequent deposits matched with additional funds. RTI and KU devised the process study as follows: (1) at each community partner site, RTI would conduct interviews with SEED staff and other stake-holders and review program documents, and (2) at selected sites, KU would conduct focus groups with parents of SEED children. To conduct their components of the process study, RTI developed a logic model, prepared a site-reporting document, conducted site visits, and gathered and analyzed the resulting data. KU developed discussion guides; conducted focus groups; and transcribed, coded, and analyzed the data. These steps are described below. RTI and KU jointly synthesized findings into this report.

Site Visits and Document Reviews: RTI International

To guide its research, RTI developed a logic model (Exhibit 2). The logic model outlines various parts of the SEED program that apply to all community partners. It also shows relationships between these parts and causal linkages between inputs, activities, and outcomes. The logic model both frames a description of SEED programs and identifies how the inputs and activities of the SEED programs can lead to the desired outcomes.

Exhibit 2. Logic Model



To begin developing the logic model, RTI researchers obtained pertinent background information, including the request for proposal that established the SEED community partners initiative, each site's proposal, reports from CFED site visits, account monitoring research reports, and semiannual reports from the community partners. RTI shared a draft of the SEED logic model with SEED research partners, community partners, and the research advisory council. Their feedback was integrated; the final version of the logic model is presented in Exhibit 2.

During visits to the 12 SEED community partner sites (conducted in 2007–2008), RTI collected information from program staff and program documentation. To collect the data, RTI developed a topically organized site-reporting document (Appendix A). For this type of process study, developing and completing a site-reporting document is an efficient way to summarize all information collected during a given site visit. Site visitors aggregated information in the site-reporting document, paying special attention to patterns of consistency or discrepancy across respondents.

Before conducting site visits, RTI team members attempted to gather as much background information as available about the community partners and SEED operations. Site visitors thoroughly reviewed the community partner proposals, CFED site reports, semiannual community partner reports, community partner websites, and account monitoring information. This information also helped the site visitors to determine what topic areas might need to be discussed more fully during the site visit.

Site visits were conducted in teams of two to ensure all information was collected accurately. RTI matched staff to site characteristics by paying attention to gender, race/ethnicity, and language ability.[6] Site visits typically lasted 2 days. During the visits, RTI teams attempted to interview all staff members involved in or associated with the SEED program, thus gaining a variety of perspectives on the SEED program from within the community partner organization. Visitors conducted interviews with the current SEED coordinator at each site and people in a range of positions including executive staff, program directors, and other personnel. In a few instances, interviewing appropriate staff was not always possible. We encountered situations in which staff were on extended medical leave, had resigned or been terminated, or had left the organization and declined to meet with us. While the process study would certainly have benefited from opportunities to meet with them, other information sources were often available to fill gaps.

During site visits, RTI team members collected SEED-related documents, including SEED brochures, enrollment forms, financial education curricula, savings promotion materials, and many other types of documents. Collecting these materials was not often easy because they were not typically consolidated into a single location, file drawer, or packet. Typically, staff members would pull out material they were familiar with or had at hand.

Focus Groups: University of Kansas

At each of seven SEED programs serving preschool through middle-school children, KU staff worked with local program coordinators who contacted parents to ascertain interest in focus group participation.[7] Groups were relatively small, ranging in size from 2 to 12, so that each

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[6] Previous studies show that background and demographic characteristics of the researcher can affect the research being conducted. See, for example, Patton, M. Q. (2001). *Qualitative research and evaluation methods.* Thousand Oaks, CA: Sage Publications.

[7] Separate studies were conducted at the other SEED sites. See Johnson, T., Adams, D. & Kim, J. (2008). *Mapping the perspectives of low-income parents in a children's college savings account program*. SEED Research Report. Lawrence, KS: University of Kansas School of Social Welfare; Sherraden, M. S., Johnson, L., Elliott, W. III, Porterfield, S. & Rainford, W. (2007). School-based children's saving accounts for college: The I Can Save Program. *Children and Youth Services Review*, 29, 294-312. Johnson, T. & Adams, D. (forthcoming). *Youth in foster care as policy experts:*

member would have the opportunity to participate meaningfully. The vast majority of participants were women; almost two-thirds were African American, and one-fourth were Hispanic. KU matched focus group facilitators to parent characteristics in terms of gender, race, and language (English/Spanish). Exhibit 3 provides information on the number of focus groups and parents by program.

Exhibit 3. Number of Focus Groups and Participants, by Site

Site	# of Groups	Total # of Participants
Boys & Girls Club	2	9
Foundation Communities	4	13
Fundación	1	8
Harlem Children's Zone	1	3
OLHSA	3	28
People for People	1	6
Southern Good Faith Fund	2	9
TOTAL	14	76

A focus group discussion guide was used to explore parents' perceptions and experiences with children's savings accounts and their local SEED program, as well as its parent organization. After reviewing the asset-building literature, holding discussions with local SEED program staff, and consulting research colleagues, KU developed an initial draft of the guide. After pilot testing the initial guide with focus groups at two sites, KU incorporated feedback and developed the final guide (see Appendix B).

KU established topic areas, follow-up prompts, and questions in advance but made the specific wording and sequence of questions flexible, giving the groups freedom to address topics in an open and free-flowing fashion that facilitates deep discussion. As each group began, the moderator gave a general description of the focus group study and then asked participants to discuss topic areas with each other rather than responding to the moderator directly. This type of group interaction allows participants to raise new questions, reach and express new levels of understanding, and generally move the discussion into areas not always anticipated by researchers.

What "aging out" youth say about asset-building policies and programs. SEED Research Report. Lawrence, KS: University of Kansas School of Social Welfare; Scanlon, E. & Adams, D. (2009). Do assets affect well-being? Perceptions of youth in a matched savings program. *Journal of Social Service Research*, 35, 33-46.

The focus groups were audio recorded for transcription and analysis.[8] Groups conducted in Spanish were first translated into English and then transcribed. Transcripts were coded both inductively and deductively. Inductive codes reflect new ideas that parents brought to the focus group process. The inductive codes were created during the review of transcripts and as patterns and themes in parent conversations were identified. Deductive codes were created to capture data addressing questions that prompted this study: how parents decide to participate in SEED, how they decide to open accounts after they have enrolled in SEED, and how they save money in their children's accounts.

[8] Recording equipment failed during two focus groups in Michigan, so detailed notes were used for analysis.

2. THE SEED PROGRAMS

Each community partner followed a basic outline for implementing the SEED program but was allowed flexibility to customize its SEED program to its target population and community. To operate SEED programs, the community partners had to provide staff, recruit participants, open and manage SEED accounts, and provide financial education. This section provides a description of ways in which the 12 SEED community partners performed these tasks.

Responsibilities and Funding

The request for proposals (RFP) for the SEED community partners initiative stipulated that $25,000 would be provided annually for each site ($100,000 per year for the experimental site). Funds were to be used for operating costs; additional funds of $2,000 per participant were earmarked for SEED accounts. The RFP also requested that each site raise additional funds and potentially in-kind contributions to match the yearly operating grant.

As specified in the RFP, SEED sites were expected to:[9]

- implement their initiative as proposed, subject to mutually approved adjustments over the course of the initiative;
- raise sufficient funds to match the annual operating grants, provide adequate funding to fully participate in the initiative, and offer services to accountholders and their families;
- maintain a monitoring and information management system capable of supplying needed data and providing semiannual program and financial reports;
- participate in the evaluation;
- attend semiannual meetings as well as share challenges, lessons, and practices candidly;
- inform CFED of any change in financial or management condition that might undermine the ability of the partner to conduct the initiative as planned;
- host one semiannual meeting during the course of the initiative;
- participate in efforts to develop/implement public policies that support SEED accounts; and
- generate communication tools, including press releases, fact sheets, and newsletters.

Sites found additional funds for SEED through a variety of sources. Some, including the Shriver Center and Foundation Communities, received grants from their financial partners.

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[9] *Saving for Education, Entrepreneurship, and Downpayment: A national policy and practice initiative to explore the efficacy of long-term savings and investment accounts for all American children. An invitation to partners—Request for full proposals*. (2003, March). Organized by Corporation for Enterprise Development, Washington, DC; evaluated by Center for Social Development at Washington University and School of Social Welfare at University of Kansas, p.5.

Other sites were able to use money from grants received from philanthropic organizations (Mile High United Way, Beyond Housing, OLHSA, and Boys & Girls Club) or governmental agencies (Juma Ventures). The SEED program at People for People was able to take advantage of several partnerships established by its parent organization with groups such as the Parent Information and Resource Center, the Faith Center for Community Development, the Faith to Finance Medical Assistance, and Verizon. Other operational support for SEED programs came from their parent organizations, typically in the form of in-kind contributions of support staff, office space, and supplies.

Personnel

The primary SEED staff member at each site was the SEED coordinator, who generally worked full time on SEED and was the main point of contact for and “face” of the program. The SEED coordinator at each site reported to a manager within the parent organization. A few SEED coordinators reported directly to the CEO of their organizations (e.g., Boys & Girls Club and Beyond Housing); most reported to a program director within the organization.

Most sites had additional staff members who spent part of their work time supporting SEED. Several sites had staff to help enter data and manage SEED accounts in the Management Information System for Individual Development Accounts (MIS-IDA).[10] A few sites—Juma Ventures, Mile High United Way, and the Shriver Center—used AmeriCorps workers to help with SEED tasks. OLHSA had a volunteer from the Jesuit Volunteer Corps. At Foundation Communities, the SEED coordinator was responsible for running nearly all aspects of the SEED program.

More than half the SEED sites—including Beyond Housing, Boys & Girls Club, Fundación, Harlem Children’s Zone, Juma Ventures, the Shriver Center, and Mile High United Way—had turnover in the SEED coordinator slot during the initiative. Some sites seemed very unsettled: one had four different SEED coordinators in 4 years, three sites asked the SEED coordinators to leave because they were unable to fulfill their duties, and another site had a lengthy vacancy when the SEED coordinator was unable to work for an extended period of time because of health issues. Five sites—People for People, Foundation Communities, Cherokee Nation, OLHSA, and Southern Good Faith Fund—kept the same SEED coordinator for the duration of the initiative.

Recruitment

SEED programs were responsible for recruiting participants. Of the 12 sites, 11 sites had a target of enrolling 75 participants and one (OLHSA, the quasi-experimental site) had a goal

[10] The Management Information System for Individual Development Accounts (MIS IDA) was developed in 1998 as a research tool for the American Dream Policy Demonstration (ADD). The software is designed to provide a standardized tool for IDA account monitoring and assist organizations with IDA program administration. http://csd.wustl.edu/Publications/Lists/Projects/DispForm2.aspx?ID=252.

of 500. Each site targeted a particular age group to recruit for the SEED program. Half targeted children of preschool or elementary school age, two sites recruited children of middle-school age, and three sites targeted those of high-school age (Exhibit 4).

Exhibit 4. Recruitment

Program	Targeted Age Group (at enrollment)	Accessed Participants Through…
Beyond Housing	elementary school	school
Boys & Girls Club	middle school	internal programs
Cherokee Nation	high school	school and state child welfare agency
Foundation Communities	elementary school	internal programs
Fundación	elementary school	school
Harlem Children's Zone	preschool	internal programs
Juma Ventures	high school	internal programs, partner CBO, school
Mile High United Way	high school	internal programs
OLHSA	preschool	internal programs, partner Head Start Centers
People for People	middle school	internal charter school
the Shriver Center	elementary school	school
Southern Good Faith Fund	preschool	community outreach

Some sites were able to recruit directly from their own ongoing programs, such as those that ran school or after-school programs. Other sites partnered with one or more other organizations to recruit participants. Several joined with local schools for the recruitment process. Juma Ventures reached broadly to achieve its goals, recruiting participants from its own programs and through a local school and another community-based organization.

As shown in the enrollment figures in Exhibit 5, ultimately six sites were able to recruit their targeted number of SEED enrollees (the other six came close), although many took much longer than expected to reach their targets and had to expand their reach beyond the organizations or groups initially identified in their proposals. For example, at Fundación the original plan was to recruit from kindergarten and first grade and to recruit only one child per family. To meet their recruitment goals, the program expanded its efforts to include third graders and allowed more than one child to enroll per family. At Harlem Children's Zone, program recruitment lasted 2 years. Staff noted that it took the first year to "work out the kinks" in the recruitment process. Cherokee Nation intended to enroll youth from the tribal child welfare system but was unable to find enough participants and so had to expand to the state of Oklahoma's child welfare system. Ultimately, staff at Cherokee Nation found that child welfare caseworkers outside the tribal system were less willing to embrace the SEED program, and recruitment was difficult.

Exhibit 5. Number and Race/Ethnicity of SEED Participants as of June 30, 2006

		Race/Ethnicity (in percents)					
Program	**# enrolled**	**African American**	**Caucasian**	**Hispanic**	**Asian/ Pacific Islander**	**American Indian**	**Other**
Beyond Housing	73	81	8	3	0	0	7
Cherokee Nation	74	0	0	0	0	100	0
Foundation Communities	67	24	21	54	0	0	1
Fundación	81	0	0	100	0	0	0
Harlem Children's Zone	75	91	0	9	0	0	4
Juma Ventures	81	28	1	22	42	0	6
Mile High United Way	75	25	51	16	3	1	7
OLHSA	495	33	46	10	1	1	9
People for People	75	99	0	0	0	0	1
The Shriver Center	82	100	0	0	0	0	0
Southern Good Faith Fund	75	91	4	0	0	0	5

Source: Mason, L. R., Nam, Y., Clancy, M., Loke, V., & Kim, Y. (2009). *SEED account monitoring research: Participants, savings, and accumulation* (CSD Research Report 09-05). St. Louis, MO: Washington University, Center for Social Development, George Warren Brown School of Social Work. Data were not collected from Boys & Girls Club.

Many staff at the SEED sites noted that the most effective recruiting method was often persistent personal contact with the potential participants and their families. This level of effort was beyond what many had expected. Participants often had to be walked through each step of the enrollment process. Several SEED coordinators said they did a lot more "hand holding" during the recruitment process than they had planned on doing. One commented, "I had to explain over and over again what this program was all about. I had to convince people there were really no strings attached. I had to help them understand that they could get money for their child's education and help realize how this would benefit their child. There were a lot of banking details they had to understand, but they got there." Staff at the two sites serving primarily Hispanic communities—Foundation Communities and Fundación—observed that parents often relied on extended family to care for their children, and both sites had grandparents who enrolled children in SEED. Staff commented that these individuals were committed to the program but needed extra guidance through the enrollment process.

In another site, administrators at the parent organization were stunned that SEED did not generate more interest. A senior manager said, "We had expected an overwhelming response and what we got was underwhelming. We even heard a rumor that if we didn't get our numbers up, we might not have a SEED program to run. We papered the community with flyers, we tried to get visibility, and all that worked in the end was one-on-one with any parent who had an eligible child."

Some participants chose to exit the program officially after enrollment. Through June 30, 2007, 33 had done so.[11] More than half were from one site that experienced irregularities in the way in which SEED operating funds were managed.

The Financial Partner and SEED Accounts

Each SEED site was responsible for managing and accounting for the distribution of the SEED funds to participants. Many had experience doing this with Individual Development Accounts (IDAs), on which SEED accounts are modeled, although some (such as the Boys & Girls Club) had only minimal or no experience with IDAs prior to SEED.

Most SEED sites selected as partners financial institutions with whom their parent organization already had some kind of relationship. The depth of this relationship varied across sites. People for People had a credit union as part of its organization, so using it as the SEED partner was a logical choice. Mile High United Way partnered with the Young Americans Bank, a bank set up specifically for young people. Others selected community banks with branches near the site. Others partnered with financial institutions that offered grant money to the organization.

Financial partners offered existing products for the SEED accounts. The SEED accounts at 8 of the 12 sites were traditional savings accounts, with interest rates at or below 0.5%. Two sites—OLHSA and the Shriver Center—used college savings plan accounts referred to as "529 accounts." Exhibit 6 describes the type of financial institution and account for each site.

[11] Mason, L. R., Nam, Y., Clancy, M., Loke, V., & Kim, Y., (2009), *SEED account monitoring research: Participants, savings, and accumulation* (CSD Research Report 09-05). St. Louis, MO: Washington University, Center for Social Development. Data were not collected from Boys & Girls Club.

Exhibit 6. Types of SEED Financial Partners

Program	Type of Financial Partner	Account Type
Beyond Housing	regional bank	savings
Boys & Girls Club	community bank and financial services corporation (partner changed during initiative)	money market
Cherokee Nation	regional bank	savings
Foundation Communities	regional bank	savings
Fundación	regional bank	savings
Harlem Children's Zone	community bank	savings
Juma Ventures	financial services corporation	escrow/business
Mile High	community youth bank	savings
OLHSA	financial services non-profit	529
People for People	community credit union	savings
The Shriver Center	financial services corporation	529
Southern Good Faith Fund	community bank	savings

Deposits

The physical locations of the financial partners played an important role in participants' ability to interact with the banking system. For two sites—OLHSA and the Shriver Center—there was no local physical location for participants to visit that could accept deposits. Staff at both sites reported that participants felt uncomfortable sending their money through the mail to an unknown entity. During the OLHSA focus groups, parents voiced concern that the local postal service was slow, unreliable, and known to lose mail. They did not want to use the postal service to make deposits into their accounts. Most wished they could make deposits in person at a local bank.

At several sites, although the financial partner did have locations in the area, they did not have branches near participants' residences. Boys & Girls Club, Mile High United Way, Fundación, and Cherokee Nation all indicated that distant locations hindered saving. This problem was exacerbated because participants were low income and many had to rely on public transportation. Staff at Boys & Girls Club noted that many SEED families had to take at least two buses to get to the closest bank branch. Similarly, the Young Americans Bank is located far away from the Mile High United Way building in a more upscale part of Denver.

Although staff said participants enjoyed visiting the bank, transportation to and from the bank was typically by bus. Fundación staff noted that participants were not able to go to the bank easily. At Cherokee Nation, the closest bank branch was sufficiently far away that participants had only been able to take one field trip there to make deposits. Staff at several sites accepted cash and checks from participants and then took them to the bank to deposit into SEED accounts.

Conversely, some sites benefited from using banks with branches easily accessible to participants. Staff at People for People, Beyond Housing, and Southern Good Faith Fund all indicated it was beneficial to have the financial partner in proximity to the SEED program and participants. It allowed participants to make deposits more easily and become more comfortable with the bank. Although bank branches were not close to all participants at Juma Ventures, staff noticed that those who lived closer to bank branches made deposits more often. The SEED coordinator gave one example of a participant who lived near a branch and would deposit his pocket change into the SEED account every time he walked by. At Beyond Housing, the financial partner was just down the street from where the SEED participants went to elementary school. SEED participants visited the bank monthly and became familiar with banking procedures, even going so far as to very politely inform adult customers that they were waiting in line to make deposits. This close proximity also allowed for a smoother relationship between the SEED program and the financial institution.

Proximity, however, did not allow for easy access in all cases. At Harlem Children's Zone, the financial partner was located close to participants but did not have extended operating hours, which meant it was not open during times most convenient for participants and their families to make deposits.

In focus groups, parents commented that SEED programs made extraordinary efforts to facilitate depositing money into accounts. SEED coordinators sometimes became intermediaries for parents who were unable or unwilling to visit the bank. Although staff help to make it possible for some to open accounts and make deposits when they may not have been able to otherwise, relying on staff to interact with financial institutions may have kept some parents unfamiliar with the banking system.

The use of direct deposit was also discussed in several focus groups. Many parents believed direct deposit was not available to them, thinking of direct deposit as a feature that their SEED program had declined to offer, rather than a saving mechanism available through employers and financial institutions. Their perceptions might have been caused by lack of financial education or employment that enabled direct deposit or by participants' experience of using informal means to make deposits (e.g., bringing money to their local program rather than making bank deposits). Many said they might be interested in direct deposit if it was available. However, a large number of participants expressed serious reservations about direct deposit and believed they would risk losing control over their budgets if they were to make automatic deposits.

Allocation of SEED Funds to Participants

As part of the initiative, each site was awarded $2,000 to allocate to each participant's SEED account. Some sites raised additional funds and were thus able to offer higher amounts. Mile High United Way complemented SEED funds with grant funds from the Jim Casey Youth Opportunities initiative. Juma Ventures was able to offer additional money through funds from their federal Assets for Independence grant. Beyond Housing offered additional money from a grant from their financial partner. Each site decided how to allocate this money across three kinds of potential deposits: the initial deposit, a 1:1 match of participant deposits, and benchmark incentives.

- The initial deposit, which ranged from $0 to $1000, was deposited into the account once the participant enrolled in the program. Participants at both programs that offered no initial deposit were of high-school age.
- For money that participants (or their friends or family) deposited into the SEED account, the program provided a 1:1 match. The maximum amount of matching funds possible during the demonstration for each participant ranged from $750 to $3,000. Mile High United Way used grant funds from the Jim Casey Youth Opportunities Initiative to offer participants a higher maximum match.
- Participants at all SEED programs (with the exception of OLHSA, the quasi-experimental site) were able to receive incentives—generally $25 or $50—for a wide variety of reasons. Some incentives were provided for life events such as birthdays or graduation. Others were awarded for achievements such as good grades. Still others were provided for participation in SEED events such as financial education classes. The total incentives available ranged from $250 to $1,000. Some programs automatically deposited incentives into the SEED account, others awarded the incentive directly to the participants, and some split the incentive between the participants and the SEED accounts.

Exhibit 7 presents allocation by program.

The SEED sites designed the amount of possible funding in each category to maximize benefits to their participants. For example, many Juma Ventures participants were employed by the program and thus had their own income. Juma Ventures saw that participants would be able to make regular deposits into the SEED accounts, so providing a higher match would encourage this kind of savings. Southern Good Faith Fund and Foundation Communities, however, provided an initial deposit that they felt would attract participants to the program and "jump-start" the participant's savings. Beyond Housing used a $500 initial deposit rather than a higher amount to minimize potential resentment among those in the school who were not part of the SEED program.

Exhibit 7. SEED Account Allocations

Program	Initial Deposit	Maximum Match	Benchmark Incentives
Beyond Housing	$500	$1,250	$250
Boys & Girls Club	$375	$1,000	$325
Cherokee Nation	$1,000	$750	$250
Foundation Communities	$500	$1,000	$500
Fundación	$250	$1,700	$500
Harlem Children's Zone	$500	$1,250	$750
Juma Ventures	$0	$1,500	$500
Mile High	$0	$3,000	$1,000
OLHSA	$800	$1,200	$0
People for People	$500	$1,200	$320
The Shriver Center	$1,000	$1,000	$875
Southern Good Faith Fund	$1,000	$1,000	$250

Source: Mason, L. R., Nam, Y., Clancy, M., Loke, V., & Kim, Y. (2009). *SEED account monitoring research: Participants, savings, and accumulation* (CSD Research Report 09-05). St. Louis, MO: Washington University, Center for Social Development, George Warren Brown School of Social Work.

Education, Events, and Rollover

Another key aspect of the SEED program was to provide financial education and encourage savings.

Programs typically provided financial education to both SEED participants and their parents. Programs serving older populations (Juma Ventures, Cherokee Nation, and Mile High United Way) focused their efforts on participants only. Financial education curricula varied across sites. Some sites developed their own (e.g., Beyond Housing, Fundación, and Southern Good Faith Fund). Others used financial education curricula that either the organization or a partner had developed previously. For example, Foundation Communities modified their IDA curriculum to fit the SEED program, and Boys & Girls Club used a curriculum developed by the University of Delaware. Several sites—including Beyond Housing, Juma Ventures, Mile High United Way, and Harlem Children's Zone—had representatives from their financial partners teach participants and parents about banking and finance.

Staff at some sites indicated that the financial education curricula they used were far from perfect and often not appropriate for the SEED audience. At Boys & Girls Club, the financial education for young people was taught by faculty from the University of Delaware. After a few sessions, the program determined that it was helpful to have a Boys & Girls Club staff member in the room during class sessions because staff members were able to control disruptive students and help the instructor understand how to engage with young people more effectively. Boys & Girls Club staff also worked with the University of Delaware faculty to modify the curriculum to better fit the SEED audience, which meant making the lessons more interactive and the content more in line with participant grade levels.

Juma Ventures indicated it was difficult to keep the SEED participants interested in the financial education curriculum, which was offered online so participants could complete their studies when convenient and at their own pace. It also meant, however, that the program could not be adjusted to the SEED audience. The SEED coordinator said the curriculum took “a broader view, with less focus on personal finance,” and so seemed less applicable to the lives of the SEED participants. At Mile High United Way, teen participants were presented with 8 hours of financial training over 2 days. Staff reported that the sessions were too long, and it was very difficult to hold teens’ attention for that period of time.

Almost all sites offered an incentive for attending the financial education classes. These ranged from $1 per meeting for children at Beyond Housing to up to $250 for parents at the Boys & Girls Club. Exhibit 8 presents an overview of the financial education at each site.

Exhibit 8. Financial Education in SEED

SEED partner	Curriculum	Incentives for Financial Education	Delivery
Beyond Housing	**Youth:** *Financial Fitness for Life* **Parents:** Organization’s own curriculum	**Youth:** $1/club meeting, up to $20/year **Parents:** $20 for each of two workshops/school year	**Youth:** .5 hours/week in class, 1 hour/week in after school club **Parents:** Occasional
Boys & Girls Club	**Youth:** Curriculum from the University of Delaware, *Delaware Money School* and *Financial Fitness for Life* **Parents:** *Finding Pathways to Prosperity*	**Youth:** None **Parents:** $10/hour up to $250 for first cycle of classes; no incentives for subsequent cycles	**Youth:** 1.5 hours/week for 6 weeks **Parents:** In development
Cherokee Nation	**Youth:** *Financial Fitness for Life*, *Building Native Communities*, and *My Decisions* (online) **Parents:** *Financial Fitness for Life*, *Building Native Communities*	**Youth:** In development **Parents:** $12.50/class	**Youth:** 1.5 class hours/month **Parents:** Weekly for 6 weeks
Foundation Communities	**Youth:** Organization’s own curriculum (includes elements of *Practical Money Skills* and *Hands On Banking*) **Parents:** Organization’s IDA curriculum (tailored for SEED)	**Youth:** None. **Parents:** $100/money management class and $100/investment trainings	**Youth:** 1 hour/month and in summer camp **Parents:** Occasionally, for 10 hours
Fundación	**Youth:** Organization’s own Spanish curriculum. **Parents:** Organization’s own Spanish curriculum	**Youth:** $225 at completion **Parents:** $225 at completion	**Youth:** 1 hour/mo in class. **Parents:** 12 class hours, 2–3 hours of individual budgeting training
Harlem Children’s Zone	**Youth:** *Youth Can Save* **Parents:** *Credit Where Credit Is Due*	**Youth:** $30/workshop up to $150 **Parents:** $50/workshop up to $250	**Youth:** Quarterly **Parents:** Quarterly

(continued)

Exhibit 8. Financial Education in SEED (continued)

SEED partner	Curriculum	Incentives for Financial Education	Delivery
Juma Ventures	**Youth:** *MoneySKILL* (online) **Parents:** N/A	**Youth:** $25/pre-test and $175/online module **Parents:** N/A	**Youth:** Self-paced (online) **Parents:** N/A
Mile High United Way	**Youth:** Young Americans Bank curriculum, modified to include elements of Jim Casey Youth Opportunities Initiative curriculum **Parents:** N/A	**Youth:** $100/financial education class. **Parents:** N/A	**Youth:** Two 6-hour classes at program start **Parents:** N/A
OLHSA	**Youth:** Organization's own curriculum **Parents:** *Your Money & Your Life* for adult only courses and organization's own curriculum for parent-child workshops	**Youth:** None **Parents:** None	**Youth:** 1.5 hours 2x/year **Parents:** 1.5 hours 2x/year + five 2.5-hour sessions
People for People	**Youth:** Organization's own existing entrepreneurship curriculum, including elements of the *Rural Entrepreneurship thorough Action Learning* curriculum **Parents:** In development	**Youth:** None **Parents:** $25/class	**Youth:** Once/week in class during the school year **Parents:** Quarterly
The Shriver Center	**Youth:** *Financial Fitness for Life*, *Money Savvy Generation* (modified) **Parents:** *All My Money*, *Your Money & Your Life*, and *Pathways to Prosperity*	**Youth:** Up to $50/school year **Parents:** $50/class	**Youth:** 15 classes over 8 weeks **Parents:** 4 classes/year
Southern Good Faith Fund	**Youth:** Organization's own curriculum **Parents:** Organization's IDA curriculum and own curriculum for parent-child workshops	**Youth:** None **Parents:** None	**Youth:** .5-hour parent-child workshops 2x/year **Parents:** 2 hours 3–4x/mo, .5-hour parent-child workshops 2x/year

Source: CFED. (2006). *Growing knowledge from SEED: Financial education*. http: www.cfed.org/imageManager/_documents/Growing_Knowledge_November_2006.pdf.

The greatest challenge for financial education across most of the SEED sites was attendance. At Beyond Housing, the SEED coordinator invited guest speakers, provided activities for children, mailed flyers, and called SEED families to promote the education classes, but participation was still very low. At OLHSA, staff described several challenges in getting parents to participate. They mentioned lack of interest (getting parents to spend their limited free time on financial education); lack of transportation (some did not have cars and OLHSA had difficulty getting permission to use the agency van); and irregular work schedules (many parents worked at night or overtime).

Some community partners found that interest depended on a range of factors. Foundation Communities saw that attendance at classes decreased with seasonal travel back to Mexico, so classes needed to be scheduled around those times. Harlem Children's Zone found that the level of interest in programs varied based on who was presenting the information. Their financial partner sent different representatives each time to teach, and some made the material “fun and exciting” while others did not. Financial education at People to People was linked to coursework at the school, so there was a captive audience of students to absorb much of this financial education.

Some topics were also found to be more engaging. Fundación staff reported that their most popular financial education class had children working with their parents to design a budget. The coordinator at Harlem Children’s Zone noted that the most popular workshops were ones in which general budgeting or investment strategies were discussed. Topics for each session were announced in advance, so topic selection was important to gain participation.

Many SEED coordinators noted that in addition to providing basic financial education classes, they met with participants and parents one-on-one to address financial questions and teach about savings. At Juma Ventures, for example, staff said participants got the most benefit from the online financial education program when they completed it at Juma Ventures rather than at home because they could work individually with staff who could help them and answer questions.

In addition to providing financial education, each site attempted to encourage their SEED participants to save. This was undoubtedly one of the most challenging aspects of the SEED initiative—helping low-income families figure out how to put money in their children’s savings accounts. Each site employed a variety of methods to do this.

Several programs—including Fundación, Cherokee Nation, the Shriver Center, Beyond Housing, and Foundation Communities—used a newsletter to advertise events, provide information on saving, and keep in touch with participants. Sites held events for SEED participants and their families. These events were typically centered around savings or personal finance. The events included the following:

- Foundation Communities took participants on a field trip to the bank to make deposits into their SEED accounts. Beyond Housing took children monthly to the bank to make deposits.
- Participants at Cherokee Nation and People for People held fund-raisers, such as a fry bread sale and a car wash, with a portion of the money going to their SEED accounts.
- Harlem Children’s Zone provided food and child care during evening financial workshops held for parents.
- Juma Ventures and Fundación held holiday parties for SEED participants.
- Mile High participated in a job shadowing day, during which SEED participants were able to learn about various jobs and industries.

Attendance at financial education events was low for many sites because of parents’ and children’s busy schedules or lack of interest. Many sites attempted to encourage participation by offering incentives to attendees; for example, Harlem Children’s Zone initially offered a $25 incentive for attendance but later raised the amount to $50 to increase participation. Additionally, staff and parents at Harlem Children's Zone commented that participants developed a certain camaraderie and these events became social activities. At Mile High United Way, a host of activities designed specifically for teens (e.g., java and juice coffeehouse-style events, football games) were instrumental in getting participants to attend. Again, these events fostered friendship among participants and increased engagement between participants and the site. Ultimately, these bonds made SEED events a "fun place to be," which promoted ongoing participation.

Staff across sites noted that encouragement most often came from one-on-one interaction between program staff and participants. This could take the form of monthly phone calls, brief chats in the neighborhood, or meetings to help develop family budgets. At the Shriver Center, the SEED coordinator made a point of having a close relationship with parents. She made home visits and attempted to stay knowledgeable about each family's situation. For example, she might send information on a job fair if she knew that a parent was unemployed. The SEED coordinator observed that these more personal interactions "show you care," so when she did start to talk about saving, parents were willing to listen. At OLHSA, SEED staff visited homes and called families not only to encourage savings but also to provide basic social work services. These visits helped to build trust between the SEED families and OLHSA. Fundación faced challenges establishing trust among participants because of match errors made in 28 accounts. One-on-one interaction proved to be helpful in building strong ties and reestablishing the trust needed to keep participants in the program. During these sessions, the coordinator emphasized clear communication, listened to questions carefully, and implemented suggestions from parents about how the program should be structured.

Rollover

At the end of the 4-year SEED initiative, accounts were rolled over to a new kind of account. In their proposals nearly all community partners anticipated the rollover, mentioning that funds could be transferred into a 529 account (including Beyond Housing, Foundation Communities, Southern Good Faith Fund, Mile High, Juma Ventures, and People for People) or an IRA (Cherokee Nation, Foundation Communities, Harlem Children's Zone, Juma Ventures, and People for People). Preparations for the rollover were just beginning at the time of our site visits.

To date, the rollover process has been more complex than many sites anticipated and has been confusing for SEED participants and their families. CFED has had to work closely with sites to manage the rollover process. For example, Harlem Children's Zone participants were told that SEED funds had to be shifted to a 529 account, but they objected, referring to documents stating they were to have more choices, so the program added several options including a 529 account, a money market account, or a savings account with Carver Bank (the SEED financial partner). During the rollover process at Boys & Girls Club, checks for the SEED account balances were mistakenly sent to some parents of SEED participants, but CFED and local program staff worked with parents to help them understand the situation and eventually all money was returned to the SEED accounts.

3. IMPLEMENTATION LESSONS FROM SEED

The SEED initiative offers a rich set of information regarding efforts to establish and support children's savings accounts. In this section, we summarize lessons learned about the process of establishing and implementing SEED. The lessons are synthesized from information gathered during site visits, document reviews, and focus groups. They are intended to record accomplishments and challenges, drawing on experiences from individuals and organizations responsible for day-to-day SEED operations.

Lesson #1: Enrolling Participants in SEED

Perhaps one of the most significant lessons to emerge from the community partners is that enrolling participants into SEED took substantial time and effort. In all sites but one (OLHSA is the exception), programs expected to enroll 75 participants. Eventually most did, but nearly every program had to redesign or expand the target group it had intended to engage as SEED participants:

- Based on its previous successful experience with youth IDA programs, staff at Cherokee Nation had expected a long waiting list of individuals eager to enroll in SEED, establish savings, and obtain matching funds. Instead, because the take-up pace was slow, staff had to meet with high school teachers and counselors, present information at parent meetings, and speak at high school assemblies, all to "find us some kids."
- Staff at Southern Good Faith Fund had intended to recruit SEED participants through Head Start programs and home-based services. They ended up using their networks throughout the community to try and reach families with 3- to 4-year old children. One staff member commented that finding potential enrollees at Wal-Mart was particularly effective. The SEED coordinator would go up to shoppers with young children, introduce herself, and ask the age of the child. If the child was of eligible age, she would talk with the parent about SEED and try to generate enthusiasm.
- The People for People program began to recruit children at the beginning of the school year. Although 270 students attended the kickoff event, the first recruitment effort resulted in 37 students enrolling in SEED. Staff were disappointed. Enrolling students later in the year became increasingly difficult. People for People staff worked through all levels of the parent organization to reach potential participants throughout the year.

Organizations that faced fewer challenges enrolling SEED participants had more captive audiences. They were able to reach children and parents through existing structures such as classrooms and after-school clubs, rather than through broader community efforts. Still, their enrollment work required effort:

- Boys & Girls Club targeted middle school students from two club locations using telephone and in-person contacts to inform young people and parents about the SEED opportunity. When enrollment lagged, the coordinator positioned herself at the entrance to a room where young people attended an after-school program and intercepted parents as they came to pick up their children. The program was able to enroll 71 participants during a 3-month period.

- Over a 6-month period Juma Ventures recruited SEED account holders from three sources: youth employees at Juma Ventures (35 participants), enrollees in programs at GirlSource (10 participants), and enrollees at the Finance Academy at Burton High School (30 participants). Six of the original recruits never fully engaged in SEED so their slots were later filled by others.
- Staff at Foundation Communities found, based on their experiences with an IDA program and the SEED program, that six or seven contacts were required with each potential SEED enrollee to get the individual to complete a SEED application. These efforts resulted in enrollment of 75 participants, but only 69 made the $10 deposit the program required.

SEED staff pointed to the initial deposit—the "gift" from the program to open the child's account—as a critically important component in getting people to enroll. Several staff felt it was a great opening line to use with prospective enrollees: "How would you like $500 toward the cost of your child's college education?" Others commented that it made the SEED program immediately tangible, with something to demonstrate quickly to parents that they could jump-start a savings plan at virtually no cost. Interestingly, SEED parents in focus groups did not mention the initial deposit as a consideration in accepting and opening the account. We speculate they may have assumed that these types of savings accounts always include an initial deposit.

Because each SEED program offered, in effect, "free money," it is curious that sites experienced such difficulties convincing prospective participants about the value and importance of the program. SEED program staff interviewed for this study identified several possible reasons for this.

"*It's too good to be true*." Brochures distributed at meetings and information packets mailed to candidates' homes offered money—sometimes lots of it—with seemingly few strings attached. Some recipients undoubtedly were skeptical and ignored the opportunity. Others could have interpreted the enthusiasm of printed materials as a come-on, wondering when the "real" program requirements would be imposed.

"*It's too complicated*." Some SEED materials were perhaps overly cautious in describing various features, such as incentives and the match. One observer commented, "When I go into my bank they try to get me to open a savings account by putting colorful graphs on the wall to show how my savings will grow. The SEED materials had a lot of fine print, talking about who owned the account and what the risks were and other kinds of negative comments." Staff also mentioned factors such as asset limits and the family's ability to receive federal financial aid for college as additional complexities for potential SEED participants.

"*There's too much paperwork*." To open an account at one program, parents had to provide a $5.00 deposit, an identification card with a photograph, their Social Security number, the child's birth certificate, the child's Social Security number, and proof of income (pay stubs or government receipts). Although this program has no income requirement, staff required the documentation and photocopied all materials.

"*I'm just trying to make it day to day*." By design, SEED is targeted to lower-income or working-income families. The mere idea of savings accounts may be out of reach for those who are struggling to make mortgage or rent payments, feed and clothe their families, keep their vehicles operating, and obtain health care. College is a long way off for most potential SEED families. Weighing a distant future against the realities of daily needs, families may be making rational choices in declining to participate.

"*I know I should be saving, but I just can't*." As individuals sign up for SEED, it is with the understanding that they will make deposits (even modest ones) into a savings account. If they are concerned that making these deposits will be a stretch, they may avoid the initial offer to avoid feelings of guilt that could arise when they are unable to keep their commitments.

"*There are too many strings attached*." People may have been disinclined to enroll when they saw the papers they would have to sign, the personal information they would have to provide, and the meetings or educational functions they would have to attend. Programs had a wide variety of requirements for enrollment, with some requiring an initial deposit or completion of a financial education program. Some stakeholders inside SEED and observers outside SEED may have believed that the community partner programs entailed relatively minimal effort from parents, but potential account openers may have felt otherwise.

"*Banks are the bad guys*." Staff in several programs mentioned that their community members do not have favorable impressions of the banking industry. One said, "Some of our constituents know the bank as the one that took Uncle Joe's car. Even if the bank repossessed it because Uncle Joe didn't make his payments on time, the bank is still perceived as evil." Others mentioned that their community members have heard about (or personally experienced) accounts that were depleted or seized. In contrast to the staff comments, parents in the focus groups generally did not express distrust toward banks. Only recent immigrants who had experienced corrupt banking institutions in their home countries and were deeply distrustful expressed this concern.

One factor that seems critical in facilitating SEED participation is the role of community networks, which can create a critical mass of participants who then act as advocates for the program and help to motivate each other to save and participate in program activities. Harlem Children's Zone offers clear evidence as many parents (all of them mothers) seemed to enjoy SEED meetings as opportunities for participating in social networks while they simultaneously discussed ways to save money to be deposited and reviewed grocery store flyers for weekly sales. Staff at People for People said it was very difficult to convince parents that the program would provide money for free, but after about three dozen accounts had been opened, it was easier to demonstrate the program was "real." Parents were able to hear from other parents that the program was working. Similarly, young people at Mile High United Way were able to carry the message to their peers that SEED was a legitimate, easy way to gain resources that could help them accomplish their objectives of buying a computer, making a down payment on a car, or attending school. Foundation Communities was able to target families who lived in the housing complexes owned by the organization. These families were already neighbors, so word spread quickly. Programs that served an already close-knit community were particularly successful in using existing social networks to reach and engage parents.

Lesson #2: The Banking Partner

The SEED community partners listed many lessons from interactions with their banking partners. Most were quick to compliment and praise the institutions that joined the SEED effort. SEED programs most often enjoyed effective relationships with banking partners when the SEED community partner was able to build on previous interactions. For example, the Bank of Oklahoma, who partnered with the Cherokee Nation program, is also the bank that conducts much of the tribe's business. Similarly, People for People partnered with its own credit union. Using a community bank with local branches was also very effective for the Harlem Children's Zone program. Perhaps one of the most successful relationships was that between the Southern Good Faith Fund and First Bank of the Delta, where the SEED coordinator's desk was located in the lobby of its banking partner. In this case, the program rarely experienced any technical problems.

Other community partners had a long list of unexpected banking issues emerge during the program. These include the following:

- Many SEED program staff had to inhibit account holders who wanted to withdraw funds from their SEED account for perhaps legitimate, but not wise, purposes. Others had to inhibit account holders who wanted to withdraw money they had previously deposited for the child's SEED account. One staff member spoke of an adolescent who wanted to access her funds so she could buy furniture. In this instance, the coordinator was able to put the account holder in touch with another agency that was able to help without needing to tap SEED savings.
- Not all banking partners fully understood that SEED was designed to encourage long-term savings—and perhaps even if they did, they were obligated to permit account holders to access their accounts. At the beginning of the initiative, at least two financial partners allowed parents to withdraw money from SEED accounts. Once SEED coordinators learned about this practice, they worked with the banks, which subsequently had account holders contact the SEED coordinators if they wanted to withdraw funds.
- Banks were not always easily accessible. At Beyond Housing, children from Delmar-Harvard Elementary School took monthly field trips and walked to Commerce Bank

to deposit funds, but this kind of in-person, regular visit was not often found in other programs. In several sites, SEED participants gave cash to the SEED coordinator, who made deposits on their behalf. Some banks, particularly small ones, did not have extended hours, thus making it difficult for some parents to make in-person deposits. The banking partner for Foundation Communities did not accept coins for deposit, thus making it harder for children to take piggy banks and make deposits.

- Some programs found that using larger banking institutions or savings programs was problematic. For example, the Shriver Center's partner is the JPMorgan Chase College Choice Plan, which accepted deposits only in the form of cashier's checks or personal checks mailed to the 529 program in Ohio. Similarly, OLHSA's partner is the Michigan College Savings Plan, which allowed SEED participants to make deposits only through the mail.
- Some programs experienced banking "errors." These were not mistakes per se but rather typical banking procedures that should have been waived for SEED accounts. For example, both Juma Ventures and Sergeant Shriver noted that their financial partner occasionally charged fees for SEED accounts, but the charges were reversed when the SEED coordinator re-educated bank personnel about agreements regarding the SEED accounts. At Fundación, however, serious problems emerged with Doral Bank, including no records of activity or incentives deposited into accounts and errors on more than two dozen match accounts. (Although Doral Bank eventually folded, the errors were corrected and the SEED accounts were saved and moved to a stronger financial institution.)

We sense that many banking partners engaged in SEED as a community service, not because they perceived SEED accounts as a particularly promising or profitable line of business. Although we did not interview banking partners for this study, we heard from local SEED staff that they had to find ways to make program features (such as MIS-IDA, incentive payments, and matching funds) fit within extant banking structures.[12] Some community partners joined with financial institutions that offered grant money to help fund the organization's programs, which while beneficial to the SEED parent organization, may not have always been the optimal bank for low-income savers. Others seem to have made decisions about financial partners that were good for the community organization but perhaps not as good for participants, such as one that did not offer a particularly progressive savings plan structure. Additionally, when they experienced turnover among employees at their banking partners, SEED staff often had to re-educate the new staff regarding account matters.

Lesson #3: Evolution from Experimentation to Demonstration

As stated in the March 2003 Request for Proposals establishing the SEED community partners program, "the community partnerships will test and develop delivery systems and public policy approaches as a demonstration program." It further stated: "At present little is

[12] CFED notes that SEED financial institutions preferred using existing products (savings accounts, 529 plans, or investment accounts) because customization would decrease their profitability. See Watson, R., & Rist, C. (2006, February). Banking on SEED: Lessons learned from financial institutions in the SEED initiative. *Growing knowledge from SEED*. http://www.cfed.org/imageManager/_documents/Growing_Knowledge-February_2006.pdf

known about the real potential of SEED accounts—about how they may be best structured and supported; about their psychological, social, behavioral, and economic effects; about the policy structure most likely to garner support; or about the system best able to deliver them effectively and efficiently.” Both the letter and the spirit of the RFP conveyed interest in having the community partners devise programs that met their local needs, from which knowledge would emerge to inform public policy.

As SEED community partners were selected and programs were initiated, a somewhat different approach came into focus, one that seemed to meld the 12 partners into a more standardized demonstration project. While each partner retained control over the composition of the target group, the amount of the initial deposit, identification of ways to earn incentives, selection of educational curricula, and similar program features, the national SEED planners’ expectations of the 12 partners seemed to converge into something closer to uniformity.

Although national planners may have had clear objectives from the start, local program operators talked about how their experiences eventually led them to a different understanding of expectations associated with SEED. Several individuals—particularly directors in the community partner organizations (i.e., not SEED staff)—were not particularly pleased with the direction that SEED ended up taking. One high-level manager in an organization that hosted SEED said, “We went into this with an understanding that we were going to be encouraged to try different things, to figure out what worked and what didn’t work. It turned out that the only thing we were allowed to try was what we were told we had to do.” One SEED site coordinator said she thought the initiative was created to permit a freedom that would allow for “some programs to fail,” adding “there needed to be space to say, ‘It didn’t work.’”

A senior administrator at another site said, “SEED had unrealistic expectations about what they thought we could do.” This individual continued, commenting on recruitment efforts: “We are knocking on doors, making phone calls, trying to get people to sign up. We’re doing everything we possibly can and they [national SEED partners] keep saying it’s not enough. I’d like for them to come here and try to do what we’re trying to do. They could have eased up on some of the pressure.” An official at a third organization said, “We thought we could design and run our own program. That wasn’t the case.”

In contrast to high-level managers in the community organizations, local SEED staff seemed to welcome and even ask for more specific operational directions. Many appreciated the guidance and support they received from the national SEED partners and technical assistance providers, although several commented that site visits were a bit more frequent than they needed to be. Others mentioned they enjoyed interacting with technical assistance providers and researchers but wondered whether the time was spent effectively. More than one site seemed to need clarification about the roles and responsibilities of visitors, not knowing whether visitors were there to be educated about program operations or to deliver messages about how programs should operate. At least one seemed to question the investment, asking, "Is it really necessary for all of you to come?"

One aspect of SEED operations that shows the evolution from experiment to demonstration is the rollover of SEED accounts at the end of the grant period. In their original proposals, all community partners mentioned plans for transitioning SEED accounts. Some specifically cited 529 accounts and Roth IRAs; several indicated plans to help educate participants about the importance of continuing to make deposits into the accounts. In practice, the details, steps, and time involved to roll over accounts surprised program staff. Local staff at many programs felt a strong preference from national planners to roll funds into 529 college savings accounts and carried this message to SEED participants. In one community, the encouragement to move SEED funds into a 529 plan caused participants to vocally disagree. Participants produced the original documents they signed, which specifically stated that SEED funds could be moved into various types of accounts—not just 529 plans—at the end of the demonstration (including basic savings accounts).

As their SEED programs were ending, staff cited the following as elements that would have been helpful to have from the start:

- professionally prepared marketing materials that clearly and succinctly explain the program;
- an easier-to-use management information system, preferably one that is intuitive;
- either strict guidelines to follow for program implementation (e.g., firm numbers of individuals to recruit each month) or freedom to let the local program evolve on its own;
- individuals with pertinent skills or work histories who would be designated to work with banking partners;
- ideas and tangible objects that could be used to induce SEED participants to attend training or educational sessions;
- recommendations for financial education curricula;
- more opportunities to interact directly with other SEED community partners to exchange ideas, discuss experiences, and "talk shop" (given the lack of interaction on the listserv CFED set up for this purpose, we infer that staff want real-time, in-person communication); and
- a set of very clear plans or expectations for ending the SEED demonstration period.

Lesson #4: The Charismatic Outreach Worker

Nearly all SEED staff members described their work as "challenging." Their work included many tasks, such as outreach, recruitment, encouraging people to save, and organizing events to help enrollees earn incentives. Staff were responsible for convincing low-income families of the need to save, often to plan for a child's education that is many years in the future. They had to explain technicalities of program operations, including initial deposits, matching funds, incentives, legitimate uses of savings, and plans to roll over accounts. They had to help SEED participants figure out how to squeeze savings out of budgets often already stretched, perhaps by clipping grocery coupons, perhaps by giving up occasional dinners out. Some taught basic finances or helped set up household budgets. Some were regularly given cash and asked to make deposits into participants' accounts.

The roles that staff played were highly varied. They supported participants and chastened them, asked sometimes uncomfortable questions about families' spending choices, and helped to solve problems. All this often required extensive one-on-one in-person interaction with SEED participants or their caregivers—interactions that have come to be referred to as "high touch" in the SEED community partners initiative. One mother fondly referred to a SEED coordinator as her personal stalker. If she had not made a deposit into her SEED account or attended a function that would have provided incentive funds, the SEED coordinator would seek her out, sometimes waiting in the lobby of her apartment building, to find out why. The coordinator asked to go over the family's expenses to see where they could come up with $30 the program suggested be saved every month—and if not $30, then perhaps $20 or even $5. The coordinator would not be satisfied until the mother produced something that could be deposited into her child's SEED account.

Generally speaking, SEED parents who participated in focus groups respect and highly regard SEED staff members. In fact, it would be difficult to overstate how important local program staff members were to some parents who discussed how staff answered questions and eased their concerns about signing up for the program, helped them fill out confusing paperwork, encouraged them to make deposits, helped them find ways to resolve difficulties that were barriers to saving, and went beyond SEED to help them with various life challenges.

As in almost any workplace, some individuals who performed these functions were more capable than others. Staff who felt competent to do their SEED jobs shared several characteristics, among them the following:

- They genuinely believe in the value of saving for a child's education.
- They were able to comprehensively learn details about program operations and explain them to participants.
- They knew whom to contact to address specific issues, whether in the parent organization, the bank, another community agency, or elsewhere.
- They persevered. If a family was not able to make a deposit on one occasion, they worked with the family to make sure there would be a deposit on another occasion.
- They respected their clients.
- They recognized the uniqueness of participants' situations and understood that no single set of services would fit everyone.

- They were culturally competent, going beyond being merely culturally knowledgeable and sensitive to apply their comprehension of the target population to establish rapport and trust.

Lesson #5: The Value of Trust

To be even nominally effective, SEED community partners had to earn and sustain participant trust. Many started from an advantageous position, having helped their community members open IDAs and save for major purchases, such as homes. Those that had previously engaged in financial dealings had a strong base from which to continue their efforts. Those new to financial services, such as Boys & Girls Club, had to establish their credibility, as did others, including Beyond Housing and Foundation Communities, that had previously provided financial services to adults and were now expanding to children.

Staff talked about the nature of the trust relationship in an unexpected way, emphasizing that they had to convince potential participants of the value of the SEED initiative. They were acutely aware that their message was heard because recipients trusted them. Several spoke of calling on personal relationships to advance the SEED agenda, saying, in effect: "You can trust me. You know I only want what is best for your child." They discussed how they used their knowledge of individual family situations to encourage participants to save, effectively saying: "You know and I know that you can find a way to find a few dollars and put some into your SEED account and get some matching funds."

In focus groups, SEED parents echoed the importance of building rapport and trust. They described needing to have several conversations with SEED staff about the program before they signed up, either because they had concerns that they needed to talk through or because they did not understand the written information. The willingness of program coordinators to spend time with parents on these issues was one way in which they built the foundation for trusting relationships.

Organizations with less of a community presence seemed to have some of the greatest challenges convincing potential participants to enroll in SEED. One community-based organization was not particularly well known to its target audience, which we believe is an important explanation for the difficulties they experienced as they tried to engage parents in the program. In this instance, the organization probably faced multiple levels of doubt from parents, having to prove both its legitimacy as an entity and SEED's legitimacy as an initiative.

It is clear that high-touch personal efforts will be more likely to succeed when the individual being encouraged to save trusts the messenger. This is especially evident in a program such as Mile High United Way, whose adolescent-aged youth in foster care grew to rely on the program (and the people coordinating it) and trust that their money was being handled properly. If the SEED community partners initiative were to be replicated elsewhere, local staff unanimously agreed that only organizations familiar with and part of their communities would be able to reach potential participants. They doubted that bank staff or others from outside their environment would have been able to develop the kind of trust they needed to create to help families save for their children. Perhaps the important lesson is that responsibility for outreach and enrollment is probably best assigned to organizations that target groups trust.

Lesson #6: The Role of Education

According to site documents, each of the 12 community partners offered some form of financial education. Several said they required successful completion of financial education before individuals could open a SEED account. (The sites' educational offerings are presented in Exhibit 8.)

In practice, however, the community partners' financial education offerings were often not as systematically delivered as the exhibit suggests. Programs that offered financial education to young people during school or in after-school programs were able to at least require attendance from their SEED participants; these programs included Beyond Housing, People for People, Boys & Girls Club, and Cherokee Nation. Juma Ventures used an online course for part of its financial education. Participants could complete the course when and where they wanted. Even with an online course, however, only about half of the SEED participants had completed the course several years into the program. Other programs became creative in finding ways to entice parents to attend financial training. For example, they provided substantial incentives for completing a class (e.g., Harlem Children's Zone awarded $50 per workshop and the Shriver Center awarded $50 per class) or issued tickets to be drawn for door prizes (e.g., Cherokee Nation gave away two laptop computers at one gathering). The Shriver Center also held a financial education workshop via conference call so participants who had moved out of the Chicago area could participate.

Other than the class on credit repair—which reportedly garnered a lot of interest and was well attended—most financial education classes did not seem to generate much enthusiasm from adults. Many programs reported that they would plan a training session and advertise it widely, only to have very few participants. Some saw greater turnout when food was involved (e.g., when programs provided a potluck dinner or pizza). Evening or weekend educational sessions seemed to get better participation when the program offered something for children (e.g., when children got to watch a movie while their parents were in class). A few program staff commented that one-on-one financial training was often appreciated, such as when a SEED coordinator helped a mother establish a monthly budget, figure out how to develop short- and long-term financial goals, or enroll in the online savings program UPromise.

Many focus group parents reported they did not care for the financial education their programs offered. Their reasons varied, but the most common was that it was a waste of time because it covered topics they already knew and it was boring. Further, some parents said that the class times were not convenient. Parents did not dislike the concept of financial education, but they did have issues with the way it was delivered. Several showed their interest in learning relevant material when one parent described budgeting software she used to help rethink her approach to money, saving, and budgets—and others asked how they could get the software. While they were writing down the contact information, one said "That would help me. I need to work on my budget."

Overall, having SEED families attend financial education classes is difficult. Staff report that participation can be increased by:

- requiring attendance;
- offering a monetary incentive;
- making the time and place as convenient as possible; and
- meeting with participants one on one.

One staff member who had been with SEED since its inception observed, "I've been thinking why people don't come to our classes. Maybe they're just not that interested. After all, 'financial education' doesn't really sound that interesting. On the other hand, maybe they [mothers of SEED participants] should be teaching us about money management. They manage to pay their rent and feed their children and then even find some money to save—even when there really isn't money to be found."

Lesson #7: How Parents Save

Parents in focus groups were asked how they deposited money into the account. They described some problems they experienced in making deposits and the efforts staff members made to help resolve them. Parents described various forms of limited access to financial institutions. For some, no branch bank was nearby. For others, not being able to get to the bank during business hours prevented them from making deposits. Programs tried to address these barriers with varying success.

Making deposits through the SEED program coordinator was convenient, and parents appreciated having this option. SEED parents frequently did not live or work near their bank or have the flexibility to take time during the day to make deposits. Being able to bring money to their program coordinator was sometimes the only way they were able to deposit money into their children's accounts. One downside of this arrangement, though, was that when program staff members were not available, some parents were unsure how to make deposits on their own.

Parent 1: Miss ______ already has a [deposit] slip. She has everything on the computer. So you go in there and she calculates out the cash and everything…

Parent 2: If there's a problem, she jumps right on the phone and calls.

Moderator: *Oh, does she?*

Parent 2: We don't know how to do that!

Moderator: *When she's not around, how is that handled?*

Parent 1: I wait until she comes back.

Parent 2: Everything is at a standstill until she comes back.

Another parent went to a different staff member when the person he was used to working with was out of the office. This parent did not want to make deposits on his own—not because he was nervous, but because he preferred the convenience of making deposits through the SEED program.

Parent: I went to ____ when she was out and he wanted me to meet him and me and him go to the bank. So I never did do that. I wanted to bring it here.

Moderator: *But instead he wanted to give you a ride there or something like that?*

Parent: Yeah, show me how to do it at the bank. But I didn't want to be bothered.

Recognizing the challenges parents face in making deposits, programs have resourcefully devised ways to help. An unintended consequence of facilitating deposits is that some parents may be relatively uninvolved in financial interactions with the institution that holds the children's accounts. Having money in the accounts does not necessarily reflect an increased comfort level with or competence in dealing with financial matters.

Parents who made electronic or automatic deposits appreciated not needing to remember to write and send checks and the convenience of not having to go to the bank. Some liked not having to decide each month if or how much they would deposit, because this was often a difficult decision to make, involving juggling bills or delaying purchases. If they had already made the decision or precommitted funds through a mechanism such as direct deposit, they did not have to go through this process each time they received a paycheck and instead made do with the amount of money they had. Parents who used direct deposit also tended to pay bills through online payment systems and spoke of using their computer to move money among bank accounts. On the whole, these parents seemed more comfortable with computers and technology that enables deposits without being physically present at a financial institution.

Most SEED parents, however, did not use direct deposit. Many focus group participants believed that direct deposit was not an option in the SEED program. They did not understand that direct deposit is arranged through employers and financial institutions, not through their local SEED programs. This points again to the parents' perception that their financial relationship is with the SEED program rather than the financial institution. A smaller number of parents knew direct deposit was available but were reluctant to use the mechanism, thinking it left the account open to the bank or creditors. These participants had typically either experienced serious financial trouble that ended with having wages garnished or belongings repossessed, or knew someone who had. They felt vulnerable and were convinced that using direct deposit would put their resources at risk.

The most common reason parents cited for not using direct deposit was that they juggled their bills every month and were worried that having a predetermined amount of money withdrawn from their household account would make effective juggling impossible. These parents said they might use direct deposit if their incomes were higher or if they were certain they could save and pay their bills without being overdrawn and facing overdraft fees. Because many parents were paid hourly wages, the amount of their pay might vary from one pay period to the next, making financial planning more difficult.

Lesson #8: Finding Money to Save

One central focus group topic was how parents found money to deposit and how saving for SEED fit into their budgets. A handful of parents deposited money into SEED accounts as they paid their monthly bills, even if it was only a small amount. For these parents, saving was a habit, and they believed it was important to make regular deposits. Many were taught to save by their parents when growing up. Interestingly, some made a point of not using direct deposit, but instead followed a discipline of saving and making the deposit themselves, a legacy from their parents they intended to pass on to their children.

Most parents, however, paid their bills first and then made deposits into the SEED account when money was left over. These parents were more likely to indicate that saving was a "luxury" they could not afford. One said, "It could be bills, or it could just be that you just don't have the income. Some people want to do this program, but are on fixed incomes, and they just can't do it." Some said they often forgot to make deposits and relied on monthly reminder notices from the SEED coordinator. They appreciated these notices and enjoyed the personal notes that often accompanied them.

Asking family and friends to deposit money into the SEED account was a useful strategy for some parents we talked with in focus groups, especially those who had difficulty finding funds to deposit. One parent described how she asked people in her life for help: "like just having family and friends…I told them birthday time and whatever, report card time…when people want to give gifts…I told them to just give cash."

Parents who solicit support from family and friends may talk with their children and explain why they may receive fewer gifts. One parent explained the situation to her son by saying, "Listen, Josh, you're going to be thirteen years old. …It's going to be a big time for you…It's not going to be no Play Station or those things. …We'll ask people to come to invest in your life, to have a prayer for you, give you an investment of money, and that's where the money's going to go." Some did not ask for help from family or friends because they were embarrassed, felt that doing so would be rude, or had people who wanted to give gifts instead of depositing money.

Most parents who participated in the focus groups said they relied on fund-raisers or incentives from their programs to make SEED deposits.

> Moderator: *Is there anything that would make it possible for you to save more than you are saving now?*
>
> Parent 1: If they have more meetings you're supposed to go to.
>
> Parent 2: That's the only thing, right.
>
> Parent 1: It doesn't have to do with us, actually, if it were something, you know, more incentives for our children to go to or whatever, that's the way we would do it without the option of just working, like our regular paycheck or getting a second job.

Parents often said they had enough income to cover their household expenses and nothing more and that finding money to deposit into SEED was a persistent stressor for them. Many said their budgets were already stretched as far as they could possibly go. The only way they could conceive of saving more in SEED or, for some parents, beginning to save in SEED was to find "new" money from another source such as an additional job to earn more money, earn incentive money by attending financial education classes or other SEED events, or have someone give them money. This helps explain why many parents mentioned the importance of incentives they received from the SEED program for participating in certain activities. Fund-raisers were also cited as a way to gather money for deposits.

Almost unanimously, parents who participated in the focus groups said they wished they were able to deposit more money into their children's accounts. This sentiment was expressed both by parents who deposited regularly and by those who had not yet made deposits. There was a pervasive sense that SEED was a good program and a good deal that parents needed to take advantage of before it ended. But parents were frustrated that, despite their desire and good intentions, they had not been able to do all that they wanted to maximize the amount of savings in their children's SEED accounts.

Lesson #9: Savings Structures Matter

Focus group parents cited three structures—direct deposit, matching funds, and restricted access to their children's accounts—as central to their participation in SEED.

Parents talked about using direct deposit and being unable to access matching funds in SEED accounts as ways to take these choices "out of their own hands." These SEED features are comparable to mechanisms such as automatic deposits into dedicated (and often matched) retirement accounts available to higher-income earners with stable employment. Put another way, when given the same kind of opportunities for institutionalized savings, people from a range of income groups may take advantage of opportunities to commit funds for savings.

Some parents noted that because they were already struggling financially to make ends meet, it was good that they were unable to access their children's accounts to pay utility bills or purchase gasoline. In these discussions, the dedicated nature of SEED accounts—that is, the fact that they were restricted for later developmental goals—emerged as a benefit. Most parents were pleased with the relative inaccessibility of money in their children's accounts.

Another institutional feature of SEED accounts that parents discussed in focus groups was the availability of matching dollars for their SEED deposits. The promise of matching funds was popular, especially with parents who had tried to save in the past but had not been able to accumulate very much. When asked why they chose to sign up for the SEED program, most enthusiastically said it was because of matching funds. Many had saved before the program began but had become discouraged with how little they were able to set aside, and they eventually stopped saving or spent their savings when they needed money. Having their deposits doubled excited parents, and many spoke of feeling able, for the first time, to save enough money to make a difference.

Parents on tight budgets liked the idea of not being able to access their child's SEED account if their family fell on hard times. Most had previously had some sort of "nest egg" for emergencies, but once they drew from it, they had to start saving all over again. Because they did not see their finances changing in the near future, SEED appeared to be a way of saving that would be safe regardless of what happened. One said, "It was good for me because I mean that they were planning on actually holding the money aside. That way I knew I couldn't touch it…without that, I could put money in her account every day, but if something happened, I'd go dipping in."

While most parents had never heard of matched savings before SEED, those at Southern Good Faith Fund and Foundation Communities often knew of people who had purchased or renovated homes through the parent agency's IDA program. One woman had a friend who used IDA savings to purchase and install new, energy-efficient windows in her home. With this tangible example of what could be done through matched savings, the parent signed up for SEED and believed she would be able to save enough to do something for her child even though she did not regularly have much extra money.

This leads to an interesting observation. Time and again, parents said they signed up to participate in SEED even though they were not sure how they would be able to make deposits into the account. SEED seemed like an opportunity that was too good to pass up and might not come around again, so they chose to take a chance, sign up, and then hope that they would find a way to make it work.

Final Observations

The experiences of the SEED community partners provide rich evidence for understanding the implementation process of this ambitious initiative. They were willing participants in an experiment to try to help low-income families develop assets to benefit their children. Information from staff, documents, and parents demonstrates a wealth of program challenges and achievements, frustrations and accomplishments. It seems that a combination of talented and persevering SEED staff, program features such as incentives, account features including match funds, and commitment from parents and young people are key elements in successful SEED programs. The lessons these programs have provided can be meaningful and useful in designing comparable initiatives in the future.

APPENDIX A:

SEED SITE-REPORTING DOCUMENT

SEED Process Study Site-reporting Document

SEED Community Partner Site: ______________________________
Date(s) of site visit: ______________________________
Contact name: ______________________________
Phone number: ______________________________

People interviewed during visit:

Name	**Title/Function**	**Contact Information**
	Site coordinator	

I. ORGANIZATION

Draw an organization chart for SEED. Include reporting relationships for all personnel involved with SEED.

Draw an organization chart for the parent organization that houses SEED, noting SEED's location.

Describe the parent organization. What is its mission and purpose? How does SEED fit into this mission?

Who are the parent organization's primary clients/audiences? Describe in regard to age, residency, race/ethnicity, income level, and any other distinguishing characteristics.

What resources—tangible and intangible—has the parent organization made available to SEED (visibility, personnel, communications materials, office space, etc.)?

How has the parent organization demonstrated its support of SEED?

II. STAFF

SEED Coordinator	
Title	
% FTE spent on SEED	
Description of other responsibilities	
Tenure in SEED position	
Method of recruitment to SEED (ad, word of mouth, within agency)	
Training, background, work experience	

If not with SEED since the program's inception, discuss amount of turnover and reasons for it. Has turnover affected operations?

Complete the following table for each staff member who works on the SEED project:

SEED Staff				
Characteristics	**Staff 1**	**Staff 2**	**Staff 3**	**Staff 4**
Position	Site coordinator			
Race/ethnicity				
Educational background				
% salary paid by SEED grant				
% FTE on SEED				
Tenure on SEED				
Major tasks and responsibilities				

Does the SEED project have any job openings? Any functions that are not being filled? Discuss situation, duration of vacancy/need, recruitment.

III. Technical Assistance

Did the parent organization have any experience with children's savings accounts? If so, describe.

Discuss initiation of the SEED project in terms of the local organization's/local staff's need for technical assistance and guidance. What sources provided technical assistance and how effective was it?

Discuss ongoing operations of the SEED project in terms of the local organization's needs for technical assistance and guidance. What sources provided technical assistance and how effective was it?

Did experiences with technical assistance providers meet the program's needs? Its expectations? Discuss.

Discuss experiences with and perceptions of usefulness of national meetings, site visits, other connections with national partners. Determine ways in which participants were able to apply lessons and knowledge gained to the local program.

Site recommendations:
List key program elements necessary to have in place before beginning and during SEED operations; identify sources.

IV. Financial Partner

Name of financial partner:

If financial partner has not been the same since SEED began, list others and discuss history of change.

What criteria were used to select a financial partner?

Options for SEED Participants to Make Deposits into Accounts with This Financial Partner		
Type of Method (yes/no)	**% of Participants Using**	**Ease or Difficulty of Use (discuss)**
Direct deposit		
Mail		
In-person at financial institution		
Other (specify)		

How satisfied have program personnel site been with the financial partner?

What, if any, issues has SEED encountered in working with the financial partner? What has been done to help resolve them?

Has the financial partner assisted the SEED project in other ways besides opening accounts? If yes, discuss.

Site recommendations:
List key factors to ensure successful interactions with financial partner.

V. Other Organizational Partners

If other organizations are involved in the SEED program, list them and their roles.

How effective have these organizations been for SEED?

VI. FUNDING

List the funding sources and amounts for SEED activities:

Funder	Dollar Amount	Specific Activities Funded (If Any)

List in-kind contributions for SEED activities:

Source	Contribution	Specific Activities Funded (If Any)

VII. Recruitment

List the eligibility criteria for SEED participation:

Over what time period were participants recruited into SEED? At what level of staff effort?

Describe overall recruitment strategies. Draw a flow chart of the recruitment process.

Methods Used to Contact Potential Participants about SEED		
Method Used (yes/no)	**Description**	**Assessment of Effectiveness**
Mail		
In-person group		
In-person one-on-one		
Phone		
Other (specify ______)		

Describe the content and medium of materials to recruit participants into SEED. Obtain copies and include in site portfolio. How were these materials developed? How were they distributed?

Complete the following for each item developed for recruitment:

	Item 1	**Item 2**	**Item 3**	**Item 4**
Type (brochure, letter, etc.)				
Target audience				
Number produced				
Number distributed				
Languages				

Describe particular challenges faced in recruiting participants and any methods used to address them. How successful have these methods been?

Site recommendations:
List key elements of successful outreach and recruitment.

VIII. PROGRAM SERVICES

Explain the process to open a SEED account for a participant. Include information about coordination with financial partner. Describe any challenges.

Financial Structure of SEED Accounts			
Type	**Amount**	**Source**	**Discussion**
Opening deposit			
Subsequent deposits			
Match funds			
Incentives			

Describe materials used to inform participants about account balances. Who sends statements? With what frequency?

Discuss methods used to encourage savings in SEED accounts. Consider:

- participant deposits
- match funds
- incentives
- financial education
- personal persuasion
- other (specify __________________)

Financial Education			
Description	**Program 1**	**Program 2**	**Program 3**
How promoted, advertised			
Content/curriculum			
Why/how selected			
# of lessons			
Location			
Target population			
Instructor			
Number of participants			
Attendance required?			
# of sessions held			
Outcomes measured? If yes, discuss results.			

Assess effectiveness of financial education. What indicators do program staff use that reflect their assessment of effectiveness?

Describe any particular challenges faced in providing financial education and any methods used to address them. How successful have these methods been?

Incentives			
Type and Amount Offered, Who Receives	**Procedures to Obtain, Methods of Promotion**	**Number/Proportion of Participants Earning Incentive**	**Discussion of Effectiveness**

Case Management

What, if any, case management activities were conducted with SEED participants?

Who determined the content of services provided? On what basis were they chosen?

What were case managers able to accomplish? What challenges did they face?

Case Managers			
Characteristic	**#1**	**#2**	**#3**
Training, qualifications			
Target participants			
Frequency of contact			
Methods of contact			
Services provided			

Site recommendations:
What approaches have been successful to encourage savings? What has not?

IX. MATCHING FUNDS

What are the requirements for participants to receive matching funds?

Who monitors how matching funds are earned and allocated?

How is this coordinated with the financial partner?

How effective have matching funds been as an inducement to save?

Site recommendation:
What are the optimal match and methods of earning to maximize the amount participants put into children's savings accounts?

X. EVENTS

Complete the following table by entering SEED-related events held for potential participants, enrolled participants, or community members.

Event	When Held and Frequency	Purpose	Number and Characteristics of Attendees

Discuss the effectiveness of these events. Did they accomplish intended goals?

Were any participant/parent committees formed? If yes, describe:

- primary functions
- number of members (active, inactive)
- method of selection
- frequency of meetings
- accomplishments

Attach any documentation (minutes, membership lists, etc.) available.

Describe particular challenges faced with these events and any methods used to address them. How successful have these methods been?

Site recommendation:
What events produced the most benefit for the SEED program?

XI. Account Information

Who owns the SEED account (e.g., child, parent, SEED site, etc.)?

Percent return or interest rate on the SEED accounts (note any changes over time):
___________%

Methods available for participants to deposit money into their SEED accounts (note all that apply):

In-person _______
Mail _______
Internet _______
Direct Deposit _______

Kinds of deposits participants can make into their SEED accounts (note all that apply):

Direct Deposit ______
Personal Check ______
Money Order ______
Cash ______

Who is allowed to withdraw money from the SEED account: the child, child's parent, or both? Under what circumstances? What funds (e.g., participant deposits, initial deposits, matching funds, benchmark incentive funds, etc.)?

Describe any issues concerning asset limits and SEED accounts, along with methods used for their resolution:

Other Comments

From proposal:	**Description**	**Change over Time (To What, When, Why)**
Total population served		
Racial/ethnic composition		
Number expected to take part in SEED		
Age range of SEED participants		
Distinctive elements of program		
Funding support outside SEED		
Type of account (savings, 529, etc.)		
Proposed initial deposit		
Proposed matching funds (amount/time)		
Proposed benchmark incentives (amount/time)		
Programs for participants or their parents		
Partners		

APPENDIX B

FOCUS GROUP MODERATOR'S GUIDE FOR DISCUSSION WITH PARENTS OF SEED PARTICIPANTS

<u>SEED Process Study Parent Focus Group Guide</u>

Introductions and Confidentiality

- Who we are and why we're here
- Ground rules for the group
- Confidentiality
- How the data will be used
- Questions from the group
- Names of children in SEED

Initial Impressions about Children's Savings Accounts

We're going to start by asking you to share your first impressions about children's savings accounts and the SEED program.

How did you first hear about the program?

Why were you interested in children's savings accounts?

Possible prompts:

- What did you know about the organization that was offering SEED in your community?
- Were there things about the accounts or the program that made you hesitant or skeptical?
- What were your initial thoughts why children's savings accounts were being offered?

Decision to Participate

Now we would like to hear all of you talk a little about your decision to sign up for this SEED program. How did you make the decision to join?

Possible prompts:

- Think back to the time just before you decided to join. Does any one thing stick in your mind as being especially important to you in making that decision?
- What was it about SEED that convinced you to sign up?

We also wondered if there were other people in your lives who encouraged or discouraged you from joining SEED.

Who did you talk with about the program during that time?

Were any of the people you talked with thinking about signing up their children?

Were any of them already involved in SEED?

Opening Accounts
Now let's talk about what it was like to open the SEED accounts.

What was the process of opening accounts here?

How well did it work for you?

Possible prompts:
- What made it easy to open a SEED account?
- What challenges did you have in opening accounts?
- Have there been people who encouraged, or discouraged, you to open an account?

I'd like to ask you about your experiences with financial institutions like banks or credit unions. Some of us grew up in families that used financial institutions to save money and cash checks and some of us didn't.

- How did your families handle saving and banking when you were a kid?
- Do your friends and family keep money in banks or credit unions now?
- Did you have other bank accounts before your children's SEED accounts?
- Where do you save money when you don't deposit it in a financial institution?

Making Deposits
Some of you may have had the chance to begin making deposits into SEED accounts.

What helps you make deposits?

What makes it difficult to deposit money into the accounts?

Putting money in SEED accounts might be easy or difficult depending on other people in your life.

Do you have family members or friends who help you make SEED deposits?

Is there agreement within your families about making SEED deposits, or is there ever conflict over when and how much to deposit?

Possible prompts:
- Are there strategies for saving that have worked especially well for you?
- Can you give examples of challenges that you've encountered in making deposits?
- Is there anything that you think would make it possible for you to save more?

Financial Relationships
Now let's talk about financial matters other than SEED. One of the things that we've learned from other groups we've spoken with is that many SEED parents are giving and receiving financial help from time to time.

If you provide financial help to other people in your lives on a regular basis, can you describe how that happens? We've had some people say that they give loans, help with rent or groceries, share things, trade things, that type of thing. How does this happen for you? Please know that we are not asking you to identify anyone by name here.

We're also interested in hearing whether you are able to get financial help from family members, friends or other people in your lives when you need it.

Leveraging Relationships in SEED and Beyond
Sometimes just knowing certain people can help you or your families get ahead in life, kind of like how some people say "it's who you know that helps you get ahead."

Are there people in your life outside of SEED who have been able to help you or your families to get ahead in some way? These might be people in your church, your neighborhood, where you work, clubs you're a member of, that type of thing. They might be the ones who can tell you about a job opening, a better place to live, or some kind of training or school program you might be interested in?

Are there people in this organization who have helped you out in these ways?

Do these people who help you out tend to come in and out of your life, or are they folks you have known for a long time?

Experiences with SEED Program
Besides the children's savings accounts themselves, some SEED programs offer parent get-togethers, classes, activities for the kids, financial education, or one-on-one meetings with staff. We want to know about your experiences in this SEED program so far.

What does your program offer?

Which activities have you have participated in?

Possible prompts:
- What have you liked best about the program?
- Can anyone give an example of a challenging moment that you've experienced in SEED?
- If you haven't been involved much, what would it take to help you participate more?

We'd also like to learn more about your experiences with SEED staff people.

What services do they offer or provide that are helpful to you?

Is there anything that staff people in this kind of program should do differently?

Possible prompts:

- What sorts of things do staff members do with you and your children?
- Are there services that wish they would change or begin offering?

Wrap Up

We're going to need to wrap up soon. There are programs like SEED all across the country. With your experience in SEED, what do you think are the most important things for people to know about running programs like this?

Possible prompts:

- What are the things about SEED that you would keep?
- What would you change about the SEED program?

We've covered several topics and learned a lot from this discussion but, later on, if you think of something that you would like to add, you can still get in touch with us. Our contact information is on your copy of the information sheet that you signed before we began the meeting.

Thank you so much for participating in this group!