

## EXECUTIVE SUMMARY

### Expanding Hope and Opportunity for Durham's Children: Report on an Exploratory Conversation About Children's Savings Accounts

Children's savings accounts (CSAs) have emerged as a tool for advancing economic and racial equity. Research finds that having a savings account from an early age improves a child's educational outcomes and social-emotional development and makes the person more likely to attend and graduate from college, which helps to put low-wealth individuals and families on a path to economic security. Prompted by this trend, in April 2023 Book Harvest convened 30 local stakeholders to explore this question: **"Is now the time to expand availability of CSAs to children and families in Durham, and possibly beyond?"**

The day-long discussion, preceded by dinner the night before, involved parents, directors and staff of family-facing programs, leaders of nonprofit and academic institutions and organizations, representatives of government agencies and systems, elected officials, public and private funders, and members of community coalitions and networks. It was co-facilitated by Book Harvest staff and CSA participants, and informed by pre-meeting interviews. After an introduction to the concept of CSAs, participants considered what is happening with CSAs nationally, in North Carolina, and in Durham. They considered the desirability and feasibility of developing a strategy to offer CSAs to more children and families across Durham, including what it would take and who might be involved. They brainstormed about opportunities and challenges, and they talked about what, if anything, should happen next.

Two themes emerged:

- **CSAs are a means to an end, not the end itself.** The purpose of having a CSA should be not just to help a child save for college but to create a pathway or launchpad to equitable opportunities for young people and their families to achieve financial stability and success, address the systemic racism that keeps many people of color in poverty, and help low-wealth families build assets as a step toward building generational wealth.
- **To maximize impact and efficiency, CSAs should be integrated with other tools and programs for getting low-wealth children and families on the path to economic security and success.** In combination, these efforts are more likely to dismantle the root causes of income inequality and poverty and respond to their effects; leverage systems and policies to create more economic mobility for low-wealth families and change systems and policies to eliminate structural racism and promote equity; and increase the scale and sustainability of savings programs and of the important wraparound resources and supports needed to meet families' immediate needs.

Although the group as a whole did not commit to launching a CSA expansion campaign, many people were interested in a more coordinated, integrated, and aligned approach to ending poverty and producing equitable outcomes for all children and families in Durham—or at least in continuing conversations to learn more about what that might look like. Meanwhile, they offered these opinions about using CSAs as an anti-poverty, pro-equity tool:

1. It is time to create an ecosystem in Durham in which all children and families flourish, both through systemic changes and by connecting low-wealth families with tools for economic mobility such as CSAs.
2. A large-scale CSA program should build families' long-term financial stability while also meeting their immediate economic needs.
3. Any planning effort must incorporate the input and opinions of low-wealth families whose children will be eligible for the accounts.
4. An expanded CSA effort should increase the funding and opportunities available to family-facing organizations in low-wealth communities.
5. An expanded CSA program would have to overcome distrust among eligible families.