Executive Summary
America Saves for Young Workers (ASYW) continues to partner with local youth employers across the country to instill automatic savings behaviors in young and first-time workers. The program targets employment opportunities that hire fourteen to twenty-four year olds. In conjunction with the all-online platform, ASYW focuses on two variables to instill savings behavior in young people: account ownership and use of direct deposit.

2019 saw exciting impact, with over 110,000 youth employed by twenty-seven ASYW partner programs across the country. 17,883 young workers completed the ASYW program and partner financial institutions opened over 2,000 new accounts over the summer.

Data from the program and our partner programs suggest some interesting trends among youth savers. Namely, young workers that are more engaged in their financial well-being tend to set saving plans with higher monthly contributions and for a great number of months. We considered a young worker as engaged if they owned a financial institutional account (checking or savings) when starting the program or if they opted in to receive texts messages from ASYW. Here, young workers who own at least one account pledge to save more than their peers without accounts, as do youth who opt in to receive text messages throughout their employment experience. Similar to the patterns we observed with account ownership, youth that engage more tend to pledge more and have longer saving commitments than youth that are not as engaged.

While the differences in ‘engagement’ are not causal effects necessarily, they inform our recommendations and turn our attention to variables that may impact outcomes. For example, ASYW already recommends account ownership, one more argument for employers to prioritize this is the indication it may influence youth’s savings behaviors. We also see broader implications there is a cumulative effect to youth financial capability interventions; where the presence of one influencing variable at least marginally influences others, such as account ownership and engagement. These open up impact questions that we plan to assess over the next year: are there other indicators of engagement that may gauge a young worker’s enthusiasm for saving during their first job?
2019 Impact Numbers
The America Saves for Young Workers 2019 footprint was nationwide, with representation from all of the country’s regions:

- 27 youth employment programs implemented.
- These programs employed 118,257 young workers 14 – 24 years old.

From these programs, 17,883 young workers pledged to save $30,472,724. The average amount pledged by a young worker was $1,704 over an average length of five months.

Top Three Savings Goals for 2019 were:

1) Education (20.5%)
2) Clothing and Shoes (17%)
3) Emergency Fund (14%)

On average, 66% of young workers from our partner programs opted in to receive direct deposit.

Youth Employer Relationships
America Saves for Young Workers exclusively reaches youth with its savings messages vis-à-vis its partnerships with youth employers all over the country. There is no minimum number of youth employees required for a program to participate. Partner programs all receive a unique link and may utilize technical assistance from America Saves staff.

In order to take advantage of a first or early employment experience for young workers, catering to their employer’s concerns is a critical component of successful youth financial capability. Thus, centering the employer experience is a priority of America Saves for Young Workers. To this end, ASYW provides as much or as little technical assistance as programs may request, offers an easy-to-implement program, and requires no curriculum expertise in order for employers to successfully utilize ASYW. To further remove employer barriers, ASYW is proud to offer the online program and technical assistance at no cost to partner programs.

This prioritization is reflected in our partners’ evaluation of us at the end of the 2019 season. Partner Programs report they are pleased with ASYW staff assistance, as 93% of partner programs reported being. Additionally, a vast majority of partner programs (80%) find it easy to share their unique link with their youth employees. For both employer-centric variables, the majority of ASYW partner programs were very satisfied.

<table>
<thead>
<tr>
<th>America Saves staff assistance &amp; availability</th>
<th>Very Satisfied/Satisfied</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>93%</td>
<td>60%</td>
</tr>
<tr>
<td>Ease of sharing unique link with youth employees</td>
<td>80%</td>
<td>53%</td>
</tr>
</tbody>
</table>
Youth Savings Insights

Account ownership and effect on savings plans

America Saves for Young Workers focuses on account ownership as one of the two primary variables to enable and instill savings behavior in young people. If state law allows, America Saves encourages accounts that are:

1) Non-custodial;
2) No or very low monthly fees, and specifically charging fees that are not tethered to receiving direct deposit or account activity;
3) No or very low opening minimum balance.

America Saves surveys account ownership at the beginning of a young workers’ employment program. Account ownership before beginning program is still very low among our target population: 45% checking account ownership and only 39% savings account ownership in 2019.

In 2019, we found that young workers that are more engaged in their financial well-being tend to set saving plans with higher monthly contributions and for a great number of months. For example, one measure for “engagement” was whether a young worker owned at least one financial institutional account, checking or savings, when starting the program. Of the almost 20,000 youth who completed ASYW in 2019, youth who report owning at least one account tend to pledge more and have longer saving commitments than youth who do not. Here, young workers who own at least one account also pledge to save more than their peers without accounts.

As a result of employment in America Saves for Young Workers partner programs, 2,542 new accounts were opened in 2019.

<table>
<thead>
<tr>
<th>Ownership?</th>
<th>N</th>
<th>% of Total N</th>
<th>Sum of Pledge Total</th>
<th>Average of Pledge Total</th>
<th>Average of Pledge Amount</th>
<th>Average of Pledge Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>10949</td>
<td>61.23%</td>
<td>$17,910,094.00</td>
<td>$1,635.77</td>
<td>$324.68</td>
<td>4.80</td>
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<tr>
<td>Yes</td>
<td>6934</td>
<td>38.77%</td>
<td>$12,562,630.00</td>
<td>$1,811.74</td>
<td>$354.18</td>
<td>5.13</td>
</tr>
<tr>
<td>Grand Total</td>
<td>17883</td>
<td>100.00%</td>
<td>$30,472,724.00</td>
<td>$1,704.01</td>
<td>$336.12</td>
<td>4.98</td>
</tr>
</tbody>
</table>

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<tr>
<th>Ownership?</th>
<th>N</th>
<th>% of Total N</th>
<th>Sum of Pledge Total</th>
<th>Average of Pledge Total</th>
<th>Average of Pledge Amount</th>
<th>Average of Pledge Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>9763</td>
<td>54.59%</td>
<td>$16,173,148.00</td>
<td>$1,656.58</td>
<td>$318.37</td>
<td>4.90</td>
</tr>
<tr>
<td>Yes</td>
<td>8120</td>
<td>45.41%</td>
<td>$14,299,576.00</td>
<td>$1,761.03</td>
<td>$357.45</td>
<td>5.08</td>
</tr>
<tr>
<td>Grand Total</td>
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<td>4.98</td>
</tr>
</tbody>
</table>
Additionally, partner programs reflect account ownership as a point of pride among their young workers, from St. Louis Works:

Many youth are often excited about gaining control of their finances. I remember speaking to one youth in particular that expressed how getting her own account has helped her be much more responsible. She went on to say now that it's "her own money" that she is spending, she is able to better understand her needs and wants and has been able to save money to purchase a car.

Financial institution integration into youth employment

One successful measure to increase account ownership among young workers is to work with one or more financial institutional partners to provide high quality accounts. These accounts are intended to offer a foundation, so that young people who do not own an account may access one with minimal barriers. These partner financial institutional accounts should not be encouraged over other financial institutions or forced upon young workers in the program.

For many of these partner financial institutions, the most effective way to eliminate barriers to account ownership is to open first-time accounts on-site. ASYW encourages programs and financial institutions to plan the on-site day to be the same day that young workers must complete their employment verification paperwork, as much of that paperwork is also needed to meet financial institutions' regulatory standards for opening new accounts.

On-site account opening is very well received by partner programs, and they report it increased their youth’s overall rate of account ownership and improves their youth’s attitudes toward their own financial health. To highlight one success story: the City of Virginia Beach has a partner financial institution come on site to implement this exact model. Of all of the America Saves for Young Workers partner programs, Virginia Beach also ranks in the top 3 for both checking and savings account ownership:

- This year we allowed youth to open up accounts on the spot during our interviews. Having our baking partner on site helped youth feel more comfortable with take the leap to open an account.

The integration of a financial institutional partner- not surprisingly- influences account ownership by removing barriers and facilitating access.

- 93% of Virginia Beach young workers own a checking account and 68% own a saving account.

More Engagement Leads to More Savings?

To keep young workers engaged in their savings process, America Saves sends automated communications to youth who complete the program. All youth receive automated emails, however youth must opt in to receive text messages. The text message communications contain both financial educational information (in video and text form) and nudges, or reminders, to save.
Nationwide in 2019, 52% of young workers opted in to receive text messages.

<table>
<thead>
<tr>
<th>Receive texts?</th>
<th>N</th>
<th>% of Total N</th>
<th>Sum of Pledge Total</th>
<th>Average Pledge Total</th>
<th>Average Pledge Amount</th>
<th>Average Pledge Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>9332</td>
<td>52.18%</td>
<td>$17,249,714.00</td>
<td>$1,848.45</td>
<td>$359.30</td>
<td>4.91</td>
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<tr>
<td>No</td>
<td>8551</td>
<td>47.82%</td>
<td>$13,223,010.00</td>
<td>$1,546.37</td>
<td>$310.82</td>
<td>5.06</td>
</tr>
<tr>
<td>Grand Total</td>
<td>17883</td>
<td>100.00%</td>
<td>$30,472,724.00</td>
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<td>4.98</td>
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Similar to the patterns we observed with account ownership, youth that engage more tend to pledge more and have longer saving commitments than youth that are not as engaged.

Youth Savings Success

"I have saved $200 from my first paycheck to get a down payment for my car ready. I am also saving some of this money for my college application fees because I don’t want college to burden my parents. I felt happy and responsible when I got my paycheck."
– Opportunity Now youth employee

"I finally put my best foot forward to finally save and budget over the summer especially because I was making more money than I usually do. I opened a savings account and prioritized."
– SER Jobs for Progress youth employee.

“It’s incredibly difficult to share just one successful savings story from our 2019 summer cohort! Most of students had educational savings goals and worked hard to reach them before the end of the summer. Parents were particularly proud of the fact that their children were excited that about learning financial literacy AND actively contributing to their own education."
– City of Raleigh Summer Youth Employment Program.

“As an upcoming senior in college, I am excited for my last year. I am a first-generation college student; therefore, I have received little to no guidance from my family. It’s been a tough year especially with my father’s recent death. I do not have his support anymore. Consequently, I work to pay for all my educational expenses such as books and transportation without parental aid. Moreover, I am unable to receive FAFSA or government aid given my legal status. I am also the guardian of my 2-year-old sister. One of the key things that is to have savings that you can use for a 3-6 month period where you do not have any incoming funds. I have always been a big saver. However, my mentality has always been the more you save, the more things you can get. I never kept in mind having survival savings. As a young adult this is something that I need to start practicing especially if I want to become independent within the next year. I need to secure my future before making any decisions that in the long run can affect me if I’m not prepared."
– One Summer Chicago youth employee.