A MUNICIPAL ACTION GUIDE

Youth Employment and Financial Capability

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NATIONAL LEAGUE of CITIES

The Opportunity and the Challenge

A young person's first job is a critical developmental step toward adulthood. A first job provides an opportunity for youth to engage with the financial system and also infuses earnings into the local economy. In cities across the nation, youth employment programs are the single most significant way that hundreds of thousands of teens are introduced to the working world each year.

With municipal ingenuity, as well as private sector and philanthropic support, some city leaders and partners have developed innovative, locally-financed summer employment programs in recent years. Related year-round programs complement summer efforts, typically for smaller numbers of youth.

Municipal leaders and others supporting these developments have spotted the point-in-time opening that youth employment provides to improve financial practices and financial health outcomes for the adult workforce of the future. Along with steady growth in the number of young people employed, experiments have emerged in several cities that use the payroll process to enroll youth in bank accounts and promote saving toward goals like advanced education or transportation. These efforts can produce promising results. Youth who are in these programs may be more likely to open accounts and save more money than those not in employment programs.

"Financial inclusion" of young people is a key goal of financial capability efforts, and requires that they have access, regardless of their income, to quality, affordable financial services and information.

Findings from a 2013 evaluation of MyPath, San Francisco's financial capability program for youth, found that short-term programs with behavioral economics features can yield significant gains in the financial capability of economically vulnerable participants in youth employment programs.

When financial capability programs are combined with income, incentives and account access, young people's understanding of the financial concepts being demonstrated can be particularly encouraging for developing lifelong habits. Results from the national Saving for Education, Entrepreneurship, and Downpayment (SEED) matched savings demonstration project underscore this concept. The study found that having a matched savings account focused on long-term goals, combined with financial education, resulted in youths' improved financial awareness, a positive view of self, an orientation to the future and a sense of security.

Enabling young people to acquire financial skills and bank independently helps meet citywide goals for reducing dependence on predatory financial providers such as high-cost check-cashers or other alternative financial services that can considerably reduce a hard-earned paycheck. Moreover, a better financially prepared and more capable workforce can positively impact broader economic development outcomes at the local level. A financial capability strategy that targets youth can also support a city's broader financial inclusion agenda aimed at reaching adults, such as a city's "Bank On" initiative, designed to provide financial services access to unbanked residents.

Municipalities play varying roles in supporting youth employment efforts, both formally and informally. City leaders can influence the scope and direction of youth employment programming by making financial capability in youth employment a citywide priority and ensuring that it is part of a broader city strategy to promote financial empowerment. To meet financial capability goals, a city leader can leverage connections to local financial institutions and other partners while aligning multiple departments and programs within city government that reach young people. Cities can also improve financial outcomes for future generations of workers by directly incorporating financial capability programs into existing municipal youth employment efforts.

"Financial capability" refers to the ability to manage money effectively and build assets, such as savings and a home or business, to increase financial stability.

Recent changes to the federal Workforce Innovation and Opportunity Act (WIOA) have created a new opportunity for cities and others to infuse financial capability strategies into youth employment programming. The policy now requires a financial literacy component in all youth employment programs receiving federal workforce funds. These changes give youth employment providers leverage to collaborate with their local Workforce Investment Boards and financial capability programs to ensure that these provisions are being met with quality financial capability programming.

However, even with the marked success of some youth employment programs increasing financial capability, cities face challenges when launching such efforts. Some cities may lack experience with youth employment programs that have a financial capability focus. In other municipalities, the complexity of opening many new financial accounts for participants under 18 years of age may strain existing systems. Other cities may find it difficult to allocate the dedicated resources and staff to get a program off the ground. These challenges are underscored by program staff who are already heavily burdened and working just to keep programs running while vying for limited resources.

Over the last few years, a small but growing number of city leaders have become committed to increasing financial capability through youth employment programs, but most efforts fall short reaching all youth participating in those programs. This gap in financial capability programing and program participant levels leave most recently-employed youth, many from disadvantaged households, with few options for cashing paychecks from their city-led employment program.

Despite these challenges, a clear focus from city and community leaders on bringing financial capability goals and services into youth employment programs can raise the prospects for young people to gain crucial financial knowledge and build a strong financial future.

Policy Context

Several federal policies allow for opportunities to integrate financial capability strategies into youth employment programs.

The Workforce Innovation and Opportunity Act (WIOA) is the updated version of the primary federal law supporting the network of local workforce development boards and partners that help people gain access to employment, education, training, and support services in order to succeed in the labor market. A new 2015 requirement in the law stipulates that WIOA-funded programs must provide financial education, including to youth entering the workforce for the first time.

Specifically, the policy direction in WIOA suggests a new opportunity for municipal leaders to implement financial education in a hands-on manner through access to bank and credit union accounts and related services, in tandem with youth employment. This opportunity can be a requirement when WIOA funds play a role in a city's summer- or year-round youth employment program. On the state level, governors hold discretion over a significant percentage of aggregate WIOA funds, and may direct this percentage to promote special purposes or innovations. City leaders can advocate with state officials to make youth financial capability one of these special purposes targeted for support.

Cities and partners can leverage the financial education requirement of WIOA to empower youth with important financial knowledge, but they can also go beyond this minimum requirement and implement financial capability and access strategies that promote lifelong positive financial habits.

KEY WIOA FINANCIAL CAPABILITY ELEMENTS

Youth employment participants will learn to:

- create household budgets, initiate savings plans, and evaluate financial services;
- make informed financial decisions about education, retirement, wealth building, or other savings goals;
- manage spending, credit, and debt, including credit card debt effectively; and
- understand credit reports and credit scores in obtaining credit, including determining their accuracy, correcting inaccuracies, and their effect on credit term.

Temporary Assistance for Needy Families (TANF) helps families achieve self-sufficiency. States receive block grants to design and operate programs that include direct cash assistance and other programming to meet the program's goals. Several states already direct TANF funding toward youth employment programs with a goal to reduce future dependency on public assistance. State or county TANF offices could adopt this practice and have received encouragement from the federal government to do so. For example, Cleveland uses TANF funds to operate a youth employment program with strong financial capability elements.

The Community Reinvestment Act (CRA) creates incentives for national and regional banks to get involved in efforts to build financial capability and credit in low- and moderate-income communities. In ongoing regulatory monitoring processes, banks receive recognition for compliance with these requirements to reinvest in high-need communities. City leaders can readily convey to bankers this benefit of providing education and financial products to youth engaged in employment programs.

ABOUT NLC'S FINANCIAL CAPABILITY AND YOUTH EMPLOYMENT INITIATIVE

The National League of Cities' **Institute for Youth, Education, and Families** (YEF Institute) conducted a one-year project to identify promising strategies for cities to incorporate financial capability efforts into youth employment programs. The project included a series of 13 interviews and site visits with city leaders and practitioners where financial capability initiatives are operating or under development.

SITE VISITS:	TELEPHONE INTERVIEWS:
Chicago, IL	Louisville, KY
Cleveland, OH	Milwaukee, WI
Detroit, MI	New York, NY
Lansing, MI	Philadelphia, PA
Newark, NJ	Seattle, WA
Reno, NV	Washington, DC
San Francisco, CA	

Promising Strategies for City Leaders

Early efforts to integrate financial capability strategies into youth employment programs have demonstrated some promising approaches for city leaders and practitioners to consider when designing or expanding programs.

Successful efforts have a robust youth-centered curriculum and provide access to safe accounts. These programs sometimes involve behavioral approaches that incentivize savings and have an added element of measuring impact. Some programs take an in-depth approach to financial capability and encourage long-term outcomes for participants by emphasizing the benefits of saving. In such programs, the emphasis on financial capability is consistent throughout the youth's whole experience with the employment program.

From the interviews and site visits with cities engaged in these efforts, several key strategies emerged for city leaders to consider:

Use your authority and "bully pulpit" to become a champion of financial capability for young people.

A key factor for a community-wide strategy designed to build financial capability in youth through employment programs is to ensure that a clear message is coming from city leaders that youth financial health is a priority for the city. A mayor, city councilmember or senior city official most effectively communicates this message. This voice or champion should encourage participation and alignment of available resources from a broad range of local stakeholders and service providers. The mayor of a large city who has administrative control of employment and training functions can directly establish financial capability in youth employment programs as a priority. In a smaller community, the mayor can work to influence and persuade local program managers to take on this challenge.

A champion can serve not only as a spokesperson for youth financial health, but can also act as a coordinating entity to align efforts within a city. There are many steps city leaders can take to build their youth employment efforts and financial capability programing, but one of the first is identifying a coordinating program leader. Multiple efforts that are not coordinated by a single entity can lead to fragmentation and some duplication of services. Once city leaders identify an individual or department who can lead local efforts, they can begin to cultivate and align existing resources.

Having a central coordinating entity can also ensure that financial capability services provided across youth employment programs meet local standards or goals. A coordinating entity or a "home" for these efforts can be located within a mayor's office or city agency. It can also be housed in a non-city organization that is well-connected to the local champion, or a local coalition of stakeholders that includes the mayor or other city representation. The coordinating entity can cultivate new, and align existing resources and partnerships and thereby ensure that partners operate under an agreed-upon set of goals and objectives.

Require service providers to include financial capability in city-funded youth employment programs.

When a city provides direct funding to youth employment providers, it offers an important opportunity to advance the city's goal of improved financial health for young people. Cities can require youth employment programs that receive city funding to provide financial capability services. Cities can also develop and promote a set of standards for what those services should entail and require of city-funded providers to comply with them. These can include a requirement to track financial health outcomes of program participants to assess the programs' effectiveness. The standards can also be shared with providers that do not receive city funding, encouraging them to also align their programs to meet the same standards.

Strategies that incorporate design elements targeted to youth have been found to be more effective than traditional financial education classes. Examples of such elements include:

- Financial programs that are tied to incentives, such as matched savings, prizes, or recognition for positive financial behavior.
- Helping youth develop long- and short-term goals for their savings, such as college, first-time car purchase, or a computer or gifts for family members.
- Financial education that is delivered through a gaming format. Some providers have developed video games that teach important financial concepts while keeping youth engaged.
- Programs that incorporate peer support and peer learning, such as youth-led financial education classes and peer support or discussion groups.

Harness the power of innovative technologies.

New interactive technologies have the potential to enhance the effectiveness of financial capability efforts in youth employment programs. Mobile apps, interactive games and online platforms can enliven learning and extend educational programs beyond traditional classroom settings. Technologies that incorporate realistic goal-setting, social media and peer sharing among youth as they receive their first paycheck may be particularly successful in sustaining young people's interest and attention to financial capability topics. Technological tools can also facilitate access to young people across greater distances and reduce dependency on costly classroom space. Finally, technology tools can allow programs to collect data when youth participate in electronic or online formats for financial education.

Interactive games or "gamification" models are a new way to sustain the attention of young people and have proven successful in pilot tests. For example, Doorway to Dreams' (D2D) 2013 SummerQuest: Birmingham pilot project in Birmingham, Alabama, was found to be successful in motivating low- and moderate-income high school students to opt in to learning about financial concepts during their summer vacations. The game challenges students to complete educational "quests" in three objective areas, one of which was focused on financial education and included topics such as saving, budgeting, completing the FAFSA form, and exploring college loans and financing options. The pilot study found that gamification has the potential to improve engagement around important financial challenges and it offers a unique tool for younger audiences who are already playing video games extensively.

In another example of utilizing technology, Moneythink's program through One Summer Chicago pairs its financial capability curriculum with the

Moneythink Mobile application. This interactive social platform allows the program's mentors to issue financial challenges to youth participants, building financial capability awareness and skills beyond the confines of the classroom. The application serves as a communication and social platform, enabling users to share their "mindful spending moments" with friends and mentors.

A scalable approach to financial capability that includes hands-on experience with financial products should:

1. Begin with identifying specific, appropriate and attainable products for program participants;
2. Include relationships with appropriate financial institutions to expand access to those products; and
3. Incorporate a new or adapted supporting curriculum and delivery method.

Combine financial education with access to mainstream financial services.

Access to bank accounts and other appropriate financial products is a key way of providing youth with the experience and education that leads to improved financial outcomes. When offered in combination with a youth-focused financial education curriculum delivered by trained staff, financial access tools and programming that feature innovative and proven design features are showing some promising results as a way to maintain youth engagement and encourage savings.

However, account access without a strong financial education component could potentially leave young people at risk of falling into account traps, including high fees and overdraft charges. Proper financial coaching on account management can be done in person, in classroom settings, or online via a number of web-based platforms that are both privately and publicly available. For example, the MyPath program in San Francisco pairs financial education for youth participating in the city's youth employment program with streamlined account enrollment in safe and affordable bank accounts so that participants can directly practice the savings concepts they are learning with the earnings they receive from their employment.

Youth employment programs can also build linkages to connecting the local "Bank On" efforts that give participants access to safe and affordable financial services. Over 100 cities and regions have Bank On initiatives in place, typically led by city government agencies. Through Bank On programs, local officials work with financial institutions and community organizations to connect unbanked residents with free or low-cost bank accounts, financial education and other mainstream financial services. Bank On accounts generally have the features of a starter account that has low fees and safeguards against overdraft and other penalties. Recently, the Cities for Financial Empowerment (CFE) fund, in partnership with its national advisory board, developed a set of national standards to guide the development of Bank On accounts. These standards, based on the Federal Deposit Insurance Corporation's (FDIC) model safe accounts template can be used to help local youth employment programs identify the most appropriate features of accounts that are aimed at youth participating in employment programs.

Adopt payroll systems that reinforce financial capability concepts.

When a young worker receives a first paycheck, this moment can be a critical opportunity to develop healthy financial habits such as saving or building credit. For many cities, youth employment programs have an emphasis on direct deposit rather than issuing paper checks to youth enrolled in their programs. While direct deposit or paper checks may be a traditional payroll strategy for many workers, some younger workers may not yet be ready for, or comfortable with, standard bank accounts and could experience high fees and overdraft penalties. Accessibility, flexible options, and a savings component are key features of a strong payroll system for youth participating in summer or year-round employment programs.

Although the level of sophistication of local programs varies based on staff capacity and dedicated resources, the strongest programs focus on direct deposit or the use of payroll cards as the primary method of payment to youth employment program participants. To best serve youth participants, the fundamental goal for cities is to forge a collaborative relationship with financial institutions. A payroll card with low access fees and a savings component or a bank account with mobile access can give youth more flexibility than a traditional "brick and mortar" bank account. Some of these alternative products can also begin to develop a "banking mindset" in a young person, providing a pathway toward a safe account at a financial institution and a long-term banking relationship.

For example, the Philadelphia Youth Network deposits the wages of young workers directly onto a payroll card that a young person can access at any time. There is no risk of overdraft and the card also has a savings account feature. Beyond access to a savings vehicle through a payroll card, cities can consider a standalone savings account or a combined checking/saving account with longer term usage. San Francisco's MyPath Savings Program offers an automatic split savings feature in which employers can offer to deposit earnings directly in both a checking and a savings account to set aside a specified portion of each paycheck.

Diversify funding and evaluate results.

For sustainability and protection against local leadership changes, a diverse pool of funding streams is ideal for youth employment programs with a financial capability focus. Funds can come directly from the city or from local corporations, philanthropy and federal workforce development programs. A strong focus on measuring program impact, including workforce outcomes, in addition to financial health outcomes such as savings, is often an essential step in securing and maintaining diversified funding. In Reno, Nevada, for example, the city has leveraged support from Schwab Bank for its youth employment program with annual capacity building grants. More recently, the program received additional support from the Federal Home Loan Bank of San Francisco's Access to Housing and Economic Assistance for Development (AHEAD) Program.

Ensuring that providers also measure participant progress on financial health outcomes can promote a higher standard of quality as providers expand their services and programs. Testing participants' financial capability knowledge before and after participating in the program can help improve program outcomes and provide important information needed to make changes to program design. When service providers can demonstrate success it can also lead to greater investments from funders and increased participation from employers. Providers can assess the impact of financial capability programs on young people through a range of financial health measures such as bank account usage, debt reduction, and reduction in use of alternative financial services.

Regular evaluation can help overcome challenges encountered in delivering a financial education curriculum in a youth employment program. With limited resources, it is particularly important that existing investments are aligned and aimed toward predetermined priorities and outcomes. Evaluations can help determine both the return on investments and what would be needed to expand the program to meet the needs of the majority of youth in a city.

Forge strong, cross-sector partnerships to strengthen and scale up local efforts.

Aligning financial capability and youth employment programming necessitates a diverse set of partners such as workforce agencies; financial empowerment service providers; financial institutions; recreation departments and programs; schools and other youth-serving organizations; faith-based organizations; and local employers. A coordinating body or "backbone" organization, either within or outside of municipal government, can play a particularly effective role in helping to align partner activities, prevent fragmented or duplicative efforts, and promote coordination in areas such as data sharing. In Cleveland, Ohio, for example, a strong partnership exists between the city's Frank G. Jackson Summer Youth Employment program, the nonprofit Youth Opportunities Unlimited (Y.O.U.) organization, and Huntington Bank. The city funds work experiences for youth while Y.O.U. coordinates the work experiences and the bank opens accounts for youth on site. Finally, approximately 100 partner agencies, including city recreation and health departments, provide job placements.

To create a "collective impact" approach — one in which all partners have a shared vision and goal — early identification of appropriate and effective stakeholders is crucial. Finding financial institution partners and practitioners that can provide appropriate financial education and products is an important part of developing an effective approach. A municipal leader can play a key role in securing these partnerships and promoting a broader goal among partners to improve the financial health of the city's young people.

Through strong partnerships, cities can work to scale up local efforts to reach more youth. Most cities that are operating some form of financial capability programing do so for only a small percentage of their total participants. For example, a city may only be reaching 15 percent of all youth participating in youth employment programs with basic financial education. While this can be an important first step, programs should work toward scaling efforts to reach more young people. Once a city assesses how many individuals are being served, and at what cost, it can engage key stakeholders in the development and implementation of plans for increased scalability of its program efforts.

EVALUATING IMPACT

A powerful way to understand the impact a program is having on participants' overall financial health is through surveys that assess financial health measures and knowledge of financial concepts before participation in the program and again after completion. Pre- and post-testing can improve program outcomes and program design by identifying which elements are successful and where there may be a need for adjustments in program design. Examples of measures some programs are using to evaluate success include:

- Number of savings and checking accounts opened;
- Amount and frequency of deposits;
- Number of accounts with a positive balance;
- Use of alternative financial services;
- Amount of personal debt;
- Credit score changes; and
- Number of participants with direct deposit.

Insist upon a customer-centric approach.

A one-size-fits-all approach is not likely to be effective in building youth financial capability. Successful programs understand the unique needs of the diverse youth in their customer base and design their programs to meet those needs. Some populations may have mistrust of financial institutions based on cultural or family norms, while other populations such as immigrant or youth with disabilities may have special needs that service providers should take into consideration when designing strategies and programs.

City Examples

The following descriptions of current city efforts reflect information obtained from interviews and site visits conducted by NLC in 2015. They represent a sample but are not an exhaustive list of youth employment programs that incorporate financial capability components, nor are they endorsements of the specific program models described.

Cleveland, Ohio

Cleveland's youth employment program demonstrates the importance of a mayor's commitment, as well as strong, cross-sector partnerships to support financial capability integration. The city's Mayor Frank G. Jackson Summer Youth Employment program has helped fund work experiences for local youth and served as the lead youth employment intermediary organization in the city since 2006. Mayor Jackson continues to demonstrate his commitment to the program by personally attending some of the program's events, such as the annual end-of-summer celebration.

The city works in partnership with Youth Opportunities Unlimited (Y.O.U.), a youth workforce development organization. Y.O.U coordinates youth employment opportunities and provides job preparation, placement and youth development programs for young people between the ages of 14 and 24. Y.O.U. works with approximately 300 employers throughout Cuyahoga County, providing a range of employability and job-seeking skill workshops, assessments, job and internship placements, and follow-up support services. In 2015, 3,000 youth were placed in jobs with 286 employers across more than 700 work sites.

The program incorporates financial capability components by offering classes on site, as well as promoting savings opportunities by encouraging direct deposits. In the most recent program year, 80 percent of participating youth had their paychecks directly deposited into a noncustodial savings account. Partnerships help connect work experiences with relevant financial education concepts. For example, 90 percent of participants made a savings pledge through a national savings promotion partner, America Saves, and 82 percent of participants indicated that they planned to use the savings account after the program ended. The program's bank partner encouraged the development of relationships between youth and their local branches across the city with the support of Y.O.U., which served as guarantor for youth accounts.

Chicago, Illinois

The City of Chicago has embraced the goal of improving the financial capability of youth by integrating financial education and access into its workforce development strategies. The Chicago Department for Family & Support Services (DFSS) coordinates the One Summer Chicago initiative, which provides job opportunities through city agencies and nonprofit providers. Employment partners include the Chicago Park District, Chicago Housing Authority, Chicago Public Schools, public libraries and hundreds of other organizations. Through these partnerships, the program provides about 24,000 youth between the ages of 14 and 24 with part-time employment each summer.

One Summer Chicago partners with several local financial institutions as well as the city's Bank On Chicago initiative in an effort to increase the number of youth with access to a bank account. Bank On Chicago accounts feature no monthly fees or minimum balances and no overdraft charges. The program also encourages direct deposit and offers youth on-site account opening by including financial institution representatives in orientation sessions.

Since 2012, DFSS has collaborated with an education technology provider, EverFi, to provide youth with an online financial education tool that provider agencies are required to use with participants. The tool uses current media technologies – video, animations, 3-D gaming, and avatars – to bring complex financial concepts to life for participants. EverFi tracks individual student progress and knowledge gains, providing students who successfully complete the course with "badge" certifications in financial literacy concepts. In 2015, over 19,000 certification "badges" were awarded to youth participating in the program, an increase from 3,500 in 2014. These badges demonstrated mastery in a range of topics including savings, credit, banking, direct deposit and taxes.

In 2014, One Summer Chicago also piloted a partnership with Moneythink, a nonprofit organization focused on youth financial capability. The program connected 80 youth with JP Morgan Chase volunteers trained by Moneythink staff and equipped with the Moneythink curriculum and technology. These volunteers mentored students on personal financial concepts such as resolving debt. Outside of class, youth and their mentors connected through Moneythink's app, MoneythinkMobile, a social platform that invites users to share photos, emojis, hashtags, likes, and comments as they complete digital challenges that build healthy financial behavior. MoneythinkMobile leverages peer relationships to help users reflect on their spending habits, avoid impulse buys, set and track their progress to financial goals, and cheer their peers on in the process.

To learn more about outcomes for youth participating in its programs, the city surveyed over 7,000 youth on financial habits in 2015. The survey found that 3,431 previously unbanked youth opened a bank account in 2015 and 3,063 youth set aside savings. Of those with bank accounts, over 3,000 participants enrolled in direct deposit. Almost all of the youth surveyed indicated that they understood the importance of saving money as well as concepts about how to open and manage a bank account.

Philadelphia, Pennsylvania

The WorkReady Campaign in Philadelphia is a cross-sector, citywide youth employment initiative. The City of Philadelphia designated a nonprofit partner, Philadelphia Youth Network (PYN), to manage WorkReady's youth employment programs. PYN promotes financial capability by providing youth employees with payroll cards linked to non-custodial savings accounts and financial education. PYN utilizes a prepaid card program manager, FSV Payments Systems, for paycard services, which in turn generates the youth accounts and provides customer support for the paycards and accounts. PYN also partners with Citizens Bank to provide youth with access to the bank's ATM network without charging fees. As a result, 90 percent of PYN youth participating in the program had access to a savings account linked to a paycard in 2014. PYN cardholders also benefit from a partnership between PNC Bank and local Wawa convenience stores where they can conduct financial transactions without fees at PNC ATMs.

During the summer of 2014, WorkReady programs connected 8,812 young people with paid employment opportunities, and 7,287 of those youth received a payroll debit card from PYN linked to a savings account. Many of the participating youth chose to have a portion of their earnings automatically deposited into a savings account. The accounts were connected to an online banking platform that participants could use to budget, build financial knowledge and skills, and conduct basic banking transactions.

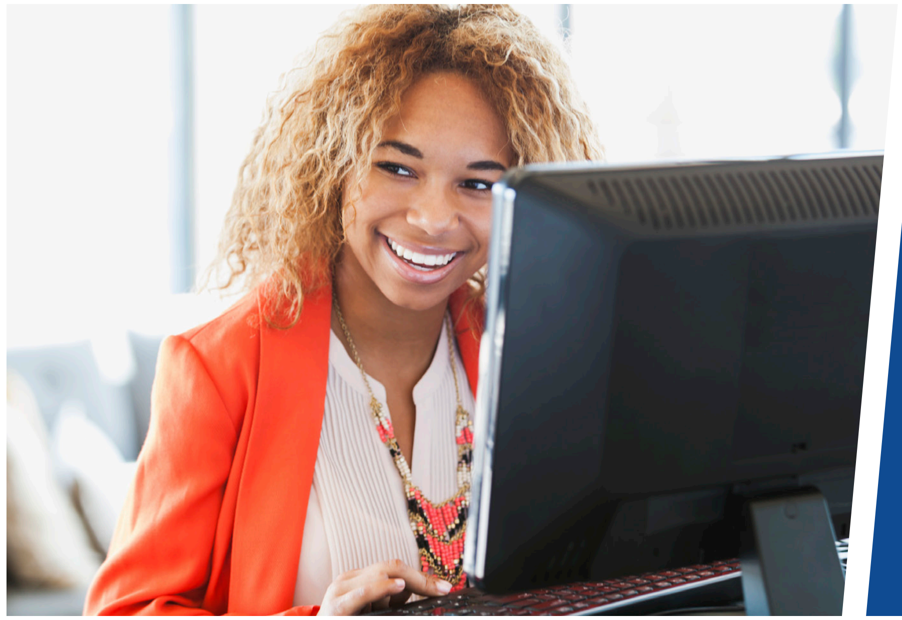
Reno, Nevada

In a smaller city, a partnership of four youth-serving organizations in Reno and the nonprofit organization, MyPath, engage young people in banking and saving as they earn their first paychecks. Through the MyPath Savings program, the city was able to provide youth with financial knowledge and access to appropriate financial products, train peer financial coaches, provide a convenient online platform for mobile learning and banking and test evaluation tools to measure the impact of their efforts. MyPath's program model included a train-the-trainer program to build capacity of local youth-serving organizations to manage the delivery of the program. In the first year of this pilot program, 80 accounts were opened by youth in a local credit union and another 120 accounts were opened in the second year.

The credit union also maintained a presence at two local schools by developing school branches with student tellers which increased convenience and accessibility to accounts for youth. The credit union partner conducted outreach directly at youth employment sites, helping connect youth to accounts and build their relationship with the financial institution. The credit union hosted field trips for young people to the branch, while conducting some of the MyPath Savings lessons on site at the moment they received their debit cards.

Through a local funder, the program was able to provide monetary incentives to participants and their coaches. Youth participants earned $100 when they set and met their MyPath Savings goal and completed MyPath's three online modules, while the peer financial coaches received $200. In two years, the Reno partnership has been able to reach more than 200 low-income working youth and supported them to save over $21,700 cumulatively, an average of 30 percent of their incomes.

Through the MyPath Savings program, Reno was able to provide youth with financial knowledge and access to appropriate financial products, train peer financial coaches, provide a convenient online platform for mobile learning and banking and test evaluation tools to measure the impact of their efforts.



San Francisco, California

The City and County of San Francisco also partnered with MyPath to integrate financial capability services into youth employment programs through strategic payroll strategies and targeted financial education. The San Francisco Department of Children, Youth and their Families (DCYF), the City's Office of Financial Empowerment (OFE), and MyPath piloted various strategies to bring financial capability opportunities to young people in the city's youth employment program.

In 2011, MyPath worked with a subset of DCYF youth workforce programs to test MyPath Savings, a program that included peer-led financial education trainings, youth-specific savings, direct deposit, and incentives to set and meet savings goals. An evaluation of the two-year pilot found that account access paired with direct deposit reduced young people's reliance on alternative financial services, and that having a default savings option resulted in increased savings by participants between the first and second year of the program.

The city was selected to participate in the Cities for Financial Empowerment (CFE) Fund's Summer Jobs Connect program in 2013, providing an opportunity to build on the successes of the pilot phase and scale up the program. In 2015, the program was able to reach 1,700 youth participating in the Mayor's Summer Jobs+ program.

During this second phase, 25 participating nonprofit youth workforce providers implemented the MyPath Savings program, which featured the following components:

- Training for provider organization staff on basic money management, accounts and direct deposit, and financial education curriculum, utilizing a "train the trainer" model;
- Streamlined account enrollment in safe and affordable bank accounts;
- Development of innovative non-custodial checking and savings accounts linked to debit cards by San Francisco Federal Credit Union (for youth under age 18) in partnership with the OFE;
- Enrollment of youth in direct deposit, utilizing split deposit which automatically places portions of the paycheck into a savings account and checking account;
- Delivery of MyPath Savings curriculum and use of MyPath's behaviorally-informed online education modules; and
- A savings contract to reinforce savings goals and incentivize achievement of those goals.

A second program evaluation in 2015 found that youth saved over $300,000 in eight weeks, and approximately 90 percent of youth in DCYF-funded programs had bank accounts at the end of the program. Moreover, participants set higher savings goals, saved significantly more, and accumulated $1,210 on average in their accounts in this second phase.

San Francisco's program demonstrates the success of strong partnerships. The project benefited from having a champion at DCYF who supported the partnership and managed grantee responsibilities and expectations. The city's OFE contributed product expertise and banking relationships while assisting with project management and training. MyPath provided the framework for municipal financial capability integration and delivery, as well as training and technical assistance for program staff. These partners continue working to ensure that this model grows to scale across the city, while focusing on sustainability and improved processes and metrics going forward.

Resources

Bank On

The Bank On model allows cities to partner with financial institutions and community organizations to develop safe and affordable financial products and services for residents who are un- or under-banked, as explained in a 2011 report by the YEF Institute. Some youth employment programs connect to local Bank On initiatives to provide account access for participants. A new Bank On 2.0 initiative developed by the CFE Fund has developed account standards for local programs to use when designing products.

Cities for Financial Empowerment Fund (CFE Fund)

Through Summer Jobs Connect, the CFE Fund provided funding and support to eight cities incorporating financial empowerment programming into their summer youth employment programs. A compendium of three reports released in 2016 provide a detailed analysis of the lessons learned from the experiences of the eight cities.

Consumer Financial Protection Bureau (CFPB), Office of Financial Empowerment

The CFPB convened a roundtable in 2013 with the Financial Literacy and Education Commission (FLEC) which focused on integrating financial education into youth employment programs, establishing partnerships with employers, and identifying effective strategies to collaborate with financial institutions. A report highlights the lessons learned from the convening.

In 2014, the CFPB launched a pilot project that provides assistance to cities and other localities to help them incorporate financial capability programming into summer youth employment programs. The pilot was initiated with four cities in 2014 and expanded to 25 cities in 2015.

Doorway to Dreams Fund

Doorway to Dreams' (D2D) 2013 SummerQuest: Birmingham, a pilot project in Birmingham, Alabama, successfully engaged and motivated low- and moderate-income high school students to choose to learn about financial concepts during their summer vacations. The game challenges students to complete educational "quests" and found that gamification has the potential as a unique tool to improve engagement in personal finance concepts for youth employment participants.

MyPath

MyPath, a national organization based in San Francisco, partnered with the cities of San Francisco and Reno to develop programming to integrate financial capability into youth employment programs. The organization, which has received national attention for its programs, provides technical assistance to other city agencies and organizations. Evaluations of the MyPath Savings program were conducted over two time periods and are available on the organization's website.

JPMorgan Chase & Co

JPMorgan Chase generously funded NLC's financial capability and youth employment initiative and also serves as a valuable knowledge resource on this issue. In 2014, JPMorgan Chase invested over $5 million to support summer youth employment programs in 14 cities. A 2015 report, Building Skills Through Summer Jobs: Lessons from the Field, highlights the experiences of those 14 cities.

JPMorgan Chase's report, Expanding Economic Opportunity for Youth through Summer Jobs, is a qualitative analysis of summer youth employment programs, representing a cross-section of models, within the 15 cities funded by JPMorgan Chase in 2015. In conjunction with JPMorgan Chase's partners, Patti Everitt, Austin Community Foundation/Summer Jobs Partnership and Kisha Bird, Center for Law and Social Policy (CLASP), the report draws from an array of data gathered through in-depth surveys, individual interviews with program directors, focus groups with participating youth and interviews with employers, partner organizations and program staff.

U.S. Department of Labor, Employment and Training Administration

The Workforce Innovation and Opportunity Act is the latest federal workforce legislation pertaining to youth employment programs across the country. The WIOA Youth Program Fact Sheet condenses the required financial capability components for youth employment providers.

ABOUT THE NATIONAL LEAGUE OF CITIES

The National League of Cities (NLC) is dedicated to helping city leaders build better communities. Working in partnership with the 49 state municipal leagues, NLC serves as a resource to and an advocate for the more than 19,000 cities, villages and towns it represents.

The Institute for Youth, Education, and Families (YEF Institute), a special entity within NLC, helps municipal leaders take action on behalf of the children, youth, and families in their communities. NLC launched the YEF Institute in January 2000 in recognition of the unique and influential roles that mayors, city councilmembers, and other local leaders play in strengthening families and improving outcomes for children and youth.

Among its multiple program areas of focus, the YEF Institute provides technical assistance and support to cities to promote financial inclusion for families. To learn more about these tools and other aspects of the YEF Institute's work, go to **www.nlc.org/financialinclusion.**

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