Michigan Children’s Savings Account Host Site Replication Request for Proposals (RFP)

Overview:

The Community Economic Development Association of Michigan (CEDAM) is pleased to announce this Request for Proposals (RFP) for its Children’s Savings Account (CSA) Replication program. Award recipients will receive up to $10,000 in funding to assist in the planning and development of their local CSA program.

This grant is designed to help local governments, nonprofits or community foundations in Michigan build capacity for local CSA programs to achieve the following goals:

- Improve access to high-quality post-secondary education, career training or entrepreneurial endeavors;
- Connect students and families to safe and affordable financial services and products;
- Create opportunities to build savings and assets; and
- Reduce reliance on student loans.

CSAs work to empower low- and moderate-income students to pursue post secondary activities; For examples of Michigan programs check out CEDAM’s website here.

Key elements of program design are:

- Universal, automatic access to college savings accounts seeded with an initial deposit;
- Savings use restricted to age 18 and for approved post-secondary education, training or small business expenses;
- School-based education with integrated teacher-led activities that link savings to academic achievement, so that students are motivated to save for their future educational goals, creating a college-bound identity, as well as providing students with the financial means to achieve.

For a step-by-step guide on launching a CSA program, please review Prosperity Now's Investing in Dreams: A Blueprint for Designing Children’s Savings Account Programs

Background:

CSA site replication is the CEDAM-supported development and implementation of new CSA programs within the State of Michigan. Working with local communities, CEDAM wants to facilitate the launch of two to three new CSA programs by the 2018-19 school year. CEDAM will draw on our prior experience providing technical assistance to the Lansing SAVE and Barry Community Foundation KickStart to Career
CSA programs, as well as incorporating best practices from Prosperity Now, Center on Assets, Education, and Inclusion (AEDI) and Upper Midwest CSA Policy Consortium to provide ample support and guidance during the program development phase.

CSAs are long-term savings or investment accounts that help children (ages 0-18) and their families, especially those from low-income families, build savings for the future. CSAs:

- Provide incentives to grow savings, such as initial deposits, savings matches or prize-linked savings.
- Are usually used for postsecondary education (e.g. college, vocational/technical schools), though other possible uses include homeownership and financing a small business.

CSAs are important for many reasons. CSAs encourage post-secondary achievement among low- and moderate-income (LMI) students. CSAs create a college bound-identity in students, and when compared to their economic peers, LMI students that had a CSA were four times more likely to graduate from college. Additionally, CSAs reduce student loan debt and can be used for any post-secondary education or training and related expenses.

CEDAM Support:

CEDAM plays several roles in CSA Site Replication. CEDAM will provide technical assistance (TA) and funding in the development of new CSA programs within Michigan. Activities include:

- Weekly, one-hour, one-on-one TA meeting with grantees
- Monthly, group TA meetings with all grantees
- Access to the Statewide Michigan CSA Consortium and communication network

Replication Site goals, objectives and requirements

Replication sites will commit to the following requirements:

- Successfully launch a CSA program (pilot or larger) during the 2018-19 academic year
- Complete a financial readiness continuum
- Demonstrate long-term sustainability of their CSA program
- Agree to collect common metrics
- Participate in the MI CSA Consortium
- Obtain CEDAM membership prior to grant approval

---

A final report will be due to CEDAM exactly 60 days following the final day of the approved grant period for the grantee. The final report will be a one- to two-page summary of how the grant funds were used to increase capacity of a new or existing financial empowerment initiative. Grantees must report on the status of each output goal stated in the grant proposal and report on the use of funds within the proposed budget.

Ineligible expenses

- Administrative costs exceeding 10% of the grant request;
- Costs that do not support or benefit CSA program development or are unnecessary in carrying out the goals of the initiative;
- Costs or expenses incurred prior to approval of the grant;
- Travel costs

Selection Criteria

CEDAM seeks local governments, nonprofits or community foundations with an expressed interest in financial empowerment, assets and savings, youth leadership or creating access to higher education. Applicants should have knowledge of asset building policy and practice and of the challenges specific to low- and moderate-income populations that present barriers to saving.

Grant recipients will be selected based on the strength of their proposals and how well the applicant illustrates how the funds will help strengthen their capacity to launch a CSA program. Selection criteria include:

- Establishment that the funds will be used to develop and implement a new CSA program;
- Attention to reaching scale at the local level;
- Illustration of how the proposed granted funds are critical to the creation or expansion of a local CSA program;
- Proven success in delivering asset building services or education programming to LMI communities;
- Articulation of specific output goals and a data collection strategy;
- Adequate project budget;
- Host site’s ability to expand services to cover their full school district and/or service area within a reasonable timeframe
Application

Please review and complete the following application components. Applications shall be submitted to CEDAM no later than 2pm, April 5, 2018 and will not be accepted after this date.

Applications should be submitted electronically, as an email attachment sent to Brian Rakovitis at rakovitis@cedam.info.

Applicants will be notified electronically of receipt of their proposal by CEDAM within three days via email. If you do not receive email acknowledgement of receipt of a submitted proposal within three days, please contact CEDAM.

Application Components:

Cover letter: [One page maximum]

Please provide your Organization’s name, the main contact’s name, information as well as their background and qualifications, your executive’s name, contact information, board members names and your organization’s mission statement.

Community Impact Statement: [One page maximum]

Please describe your community’s population using descriptive indicators and relevant data. Explain how a CSA program will positively impact low- and moderate-income students in your community, as well as how CSAs fit into your organization’s overall mission, goals and objectives. If possible, please indicate other community partners you plan to engage, or have already engaged, with in this work.

Proposed Approach and Evaluation Plan: [Two pages maximum – not including Partner Letters of Intent]

Illustrate your organization’s plan to successfully develop, launch and maintain a CSA program. Please provide a general timeline of events and outline the necessary steps to achieve your goals. For additional resources, review Investing in Dreams; Section A: Designing Your Program. Describe your organization’s staffing commitments, plans to scale the program (if only a pilot project), marketing and outreach strategies to families. Finally, discuss your familiarity with tracking data and sharing, especially as it relates to individual savings, behavior changes and/or metrics related to youth development. For applicants with partners in this work, please include any letters of Intent from partners. These letters should detail your partners commitment to the project as well as their roles & responsibilities.

Budget: [Two pages maximum- Please use budget attachment]

Provide a budget narrative that details expenses related to the development of your CSA program. Included the amount you are requesting from CEDAM (up to $10,000), in-kind/grantee funds (no match is required to receive funding) and other sources to be raised and how you plan to spend these funds.
Please detail your plan to raise “other sources to be raised” and indicate if any sources are already on-hand. Additionally, provide as part of your narrative a brief fund development strategy for the long-term funding and sustainability of your CSA program.

Additional Application Questions: (two to three paragraphs maximum)

1. Are you currently a member of CEDAM, or can you obtain membership (CEDAM Membership is required to receive this grant funding)? (Y/N)(If N, why)
2. Do you foresee any issue executing the requirements of this grant? (Y/N, why?)
3. What challenges do you anticipate in the development of your CSA program, and how do you plan to address these issues?
4. Do you have a history of working with CEDAM? Have you received funds from CEDAM in the past?

Notification of Awards
Grant recipients will be approved or denied their funding requests by no later than May 11, 2018. Notification will be sent electronically to each selected organization.

Contact Us
If you have questions about the application process please contact Brian Rakovitis by email at rakovitis@cedam.info or by phone at 517-485-3588 x1942.