

Coming Up Empty

St. Louis' College Kids Program Has Big Aims — And Little Growth

By Mike Fitzgerald

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If you've fed coins into a St. Louis parking meter or paid one of the city's increasingly expensive parking tickets since 2016, then you've put money into the system that pays for the College Kids Children's Savings Account program.

Tishaura Jones set up College Kids while serving as city treasurer. It became one of Jones' signature achievements, touted during her successful 2021 mayoral run.

The aim: to help the city's public- and charter-school families, especially those from the poorest neighborhoods, save money for college and learn financial literacy.

More broadly, programs like College Kids are meant to motivate kids from moderate- and low-income backgrounds into developing a college-bound mindset. Like counterparts nationwide (see "[College State of Mind](#)"), College Kids is premised on research that shows children who begin saving for college, even in amounts of less than \$500, are three times more likely to continue on to a post-secondary education than students who do not, and four times more likely to graduate.

Today College Kids has grown to more than 23,000 accounts.

“As an elected official, I believe every student should have access to resources to achieve their dream of a college education,” Jones said at the program’s December 2015 unveiling. “College Kids provides an opportunity for students to get a jump start on college savings, and encourages parents and guardians to increase their financial capability through participation in financial education courses.”

Each year, the treasurer’s office automatically enrolls all the public- and charter-school kindergarten students in St. Louis city — 2,307 College Kids accounts were created in 2022 alone — providing them with savings accounts at Alltru Credit Union and “seeding” each with a \$50 deposit.

The accounts are expected to grow year by year through city-funded incentives and charitable and personal donations. Participants can receive up to \$100 in matching deposits and up to \$50 for financial education. Once the student graduates from a public or charter high school in the city, the funds can be withdrawn for college or a trade school.

So far, the treasurer’s office has invested an average of almost \$300,000 per year — a figure that includes seed deposits, incentives, staff salaries and donations — into the program. That adds up to about \$2 million since College Kids began.

The treasurer’s office will likely spend at least another \$1.5 million on the program before the first high school graduates touch any of the money, which won’t be until 2028 at the earliest.

But seven years since the program’s launch, College Kids has failed to attract much philanthropic investment, and all but a relatively few accounts have remained stuck at strikingly small balances.

Only 15 percent of accounts have grown past the \$50 seed level. The average account is worth just \$73. And with a large number of participants

failing to opt in for additional incentives beyond the seed funds, and a program design that will leave many others unable to reclaim city-donated funds at graduation, it's worth questioning whether the city's relatively modest investment will do anything to help anyone get to college — or if it's all just window dressing.

How to evaluate a program like College Kids?

It's an experiment involving the economic behavior of thousands of families, many living in some of America's poorest ZIP codes, many highly transient, many unfamiliar with the banking system.

By any measure, it is taking place in a school district facing severe challenges. St. Louis lost 44,000 school-age children between 2010 and 2020 — a 24 percent drop — while 20 percent of district students qualify as unhoused. Almost one in five students qualify for special education services, and more than one in three change schools mid-year.

So to assess College Kids, what outcomes do you seek? Do you use metrics like the number of kids who actually wind up going to college or a vocational school with the help of College Kids dollars? If so, what number would define success?

Indeed, is it possible to use any measurable outcomes to assess a program like College Kids?

Mayor Jones devised College Kids, launched it and oversaw it for its first five years. She declined repeated requests for comment for this story.

But during her days as city treasurer, Jones was much more forthcoming. In a February 2020 speech at TEDx Gateway Arch, Jones stated that College Kids was one of 64 college savings programs underway in 34 states, serving 500,000 children.

“Here’s the part that’s going to blow your minds,” Jones declared from the stage. “You ready? If this program had been started in 1979, it would have reduced the racial wealth gap between white and Black families by 82 percent.”

Jones smiled as some in the audience gasped.

“I want to help the next generation to stand up, and to move on up, and to need a lot less luck to do it,” Jones said. “Every generation needs help moving out from the shadow of the ones that came before. And that’s why as the treasurer of the city of St. Louis, I’m giving away your parking money!”

The audience burst into applause before Jones could finish speaking, then gave her a standing ovation.

In a recent interview, City Treasurer Adam Layne — who inherited the program from Jones when she ascended to the mayor’s office in the spring of 2021 — declines to define the program’s success or failure in terms of a single metric.

Instead, Layne prefers to speak in terms of his long-term vision.

“And the long-term vision for the program is to make sure that these students have at least \$500 saved by the time they graduate from high school,” he says.

Layne, 34, a former high school math teacher and former member of the St. Louis Public Schools Board of Education, is upbeat and personable. He is fired up by an obvious passion to educate people about the importance of financial literacy and learning to navigate the personal banking system.

“We’re doing this to increase the likelihood that students have post-secondary success,” he says.

A little later, Layne adds, “So if I have a program that increases that likelihood for one student, that’s a great thing. And we know that if we can get students to \$1,000, to \$1,500 — one of our biggest accounts has \$10,000 — by the seventh grade, I think we can get a couple thousand students to \$500 by the time they are seniors in high school.”

Layne, though, declines to be more specific about program goals, even after being pressed by a reporter.

“\$500 by 12th grade,” says Layne.

“But how many kids do you want to see get to that?” the reporter asks.

“All of them,” Layne replies. “The goal is all. Every student in the program has at least \$500 saved. That’s the goal.”

Records show that, seven years in, only 3 percent of accounts from the program’s inaugural year have saved at least \$250. Getting even 10 percent, much less 100 percent, to \$500 seems incredibly difficult.

Layne is bullish. “Got to shoot for the stars.”

In trying to evaluate College Kids, three numbers stand out:

- 15. That’s the percentage of 23,325 College Kids accounts that have grown beyond the initial \$50 seed deposits, according to data provided under Missouri’s Sunshine Law.

- 12. That's the percentage of all parents and guardians of eligible students who've submitted the consent forms needed to unlock the program's additional cash incentives.
- 1. That's the percentage of accounts that have reached at least \$500 — a total of 244 accounts out of 23,325.

The second number is especially significant because the incentives are one of the chief ways kids in the program, especially those from low-income families, can grow their accounts.

Those incentives have thus far been modest; unlike New York City's program, a public-private partnership with its own nonprofit to garner tax-deductible contributions, St. Louis' program hasn't garnered large-scale charitable donations. Students can get \$30 annual deposits for perfect attendance and \$50 for taking part in financial literacy classes. Parents and guardians must sign and submit consent forms allowing the treasurer's office to access school attendance data and unlock the incentives. But so far, only 2.7 percent of parents and guardians of this year's cohort of eligible kindergarten students — 64 out of 2,307 — have submitted consent forms, records show.

Unlike regular bank accounts, the College Kids accounts don't pay interest to account holders. And unlike 529 college savings plans, they don't grow with the bond or stock market. Absent parents or charities contributing funds, they grow solely via the city-funded incentives.

The fact that only 12 percent of all parents have submitted consent forms to activate the attendance deposits, and just 2.7 percent so far this year, is a sign the program is not working, says 8th Ward Alderwoman Cara Spencer.

The low participation rates also point to what Spencer, a vocal critic of Mayor Jones, sees as a built-in flaw: "There are no measurable goals," she says. "There are no goals."

Spencer says measurable goals are especially important when it comes to setting up a program with public funds.

Citing a long list of unmet needs facing the city — from crumbling streets to kids exposed to lead paint — Spencer says it's imperative that city leaders be able to determine if College Kids is a success or failure, and therefore worth the cost.

“When we're choosing to invest millions of dollars in something as important as our kids, we have to have measurable goals,” Spencer says. “We have to have outcomes we can trust, that we're putting those dollars to good use. Because we are fighting for the spending of every single dollar in the city of St. Louis right now.”

Donna Baringer, who as an alderwoman represented the 16th Ward from 2003 to 2017, says she isn't surprised by the low participation rates in the program.

Baringer agrees that low-income residents could benefit from financial literacy programs.

“But it should be done by the professionals at all our non-profit credit unions,” she says. “Because our treasurer's office should not be a social service agency.”

Layne acknowledges the city faces many unmet needs and the money going to College Kids could be used in other ways.

“We could do a whole bunch of things with that money that we have,” he says. “But if we are not investing in people who are here, then what are we investing in?”

Layne underscores that College Kids was never meant to by itself pay for a student's college education. He cites figures that show the average cost of a four-year private college education is around \$200,000.

"So the goal is not that students have \$200,000 saved," he says. "The goal is that we increase their likelihood" of going to college.

"So we're trying to show our city cares about our families," he continues. "And we do our part to increase the likelihood based on statistics that we know are true. So that is our goal: to increase that likelihood."

Although the average account balance is \$73, some accounts have grown impressively. Six accounts have exceeded \$5,000. The largest account, at \$16,096, was started by a student at charter school Lafayette Preparatory Academy, records show.

Layne defends the fact that interest on those accounts accrues to the city, saying College Kids accounts are not interest-bearing because they don't require any fees.

"And most of our families don't have \$10,000, \$50,000 in these accounts," he says. "So the interest they're missing out on is not a lot. And the incentives that they get far outweigh the interest one is forgoing."

College Kids does earn interest for the treasurer's office, regardless of what happens to the accounts — whether they are abandoned when a student quits the school district for good (students must graduate from a city public or charter school to access the funds) or simply never uses the money (students can't cash out, even after graduation; the cash can only be transferred to college or a vocational school).

Nearly \$384,000 worth of incentive deposits are kept in a checking account at Midwest BankCentre. Monthly statements show the annual interest yield

rising from 0.10 percent as recently as 2022 to 3.3 percent in 2023, with earned monthly interest between \$886 and \$1,122 so far this year, office records show.

Meanwhile, College Kids seed deposits are being invested in U.S. Treasury bonds at Principal Custody Solutions of Waco, Texas. The bonds, which have maturity dates that range between 2026 and 2032, have a combined cost value of about \$1.06 million and a combined maturity value of \$1.305 million, according to statements obtained under Missouri Sunshine Law.

Layne says the interest helps pay for the incentives the program gives to current and future account holders.

“The [College Kids] account is not interest-bearing,” he explained at a May 22 meeting of the aldermanic Budget and Public Employees Committee. “The incentive account is interest-bearing. So that it can grow the incentive dollars that we offer to kids in the program.”

A 2020 report by the Missouri State Auditor’s Office, which examined the College Kids program as part of a larger audit of the treasurer’s office, found that 78 percent of College Kids accounts were stuck at the \$50 seed level.

Layne sees this as a “testament to how we designed the program. We know that we opened blanket accounts for all the students in St. Louis city. So that’s 23,000 accounts — like you said, students who are now banked, families who are now banked in the city of St. Louis.”

Layne is also unfazed that only 2.7 percent of kindergarten parents have signed consent forms to activate incentives this year.

Layne notes that a similar low rate of participation characterized the first group of kindergarten students enrolled in the program in 2015-2016. But

the participation rate has over time — thanks to College Kids informational events, financial literacy classes and Layne’s own outreach to schools — climbed to 33 percent.

“It’s why we show up to events and talk to every single parent we can,” Layne says. “I have parents who come up to me all the time and say, ‘I didn’t even know about this program. Is it too late?’ And sometimes they feel hopeless in that. And I’m able to say, ‘No, it’s not too late. Your kid already has an account. We already put \$50 in it. It’s open. You don’t have to worry about that. You can start on your college savings journey right now.’”

Yet based on interviews with parents at grade schools around the city, it’s clear that seven years into the College Kids program, many parents — busy with jobs, raising families and caring for older relatives — don’t even know their kids are enrolled in it.

As the school day draws to an end in the JeffVanderLou neighborhood, parents park next to the curb at Columbia Elementary School. Some wait inside their vehicles or walk up to Columbia’s front door, where a cheery woman releases kindergartners and first-graders in ones and twos.

Sattinie Anderson walks from school hand-in-hand with her son Demeir Carver, 7, a first-grader.

Anderson says she doesn’t know about College Kids. “I’ve got to check my email,” she says.

Thoughts of college weigh very much on the minds of both mother and son. “I want to be a scientist,” Demeir says. “A zoologist. I like ocean animals and wild animals.”

“He loves science,” Anderson says. “Weather, natural disasters.”

“Free money?” Demeir asks of College Kids.

“That’s right,” she replies, glancing at her son proudly. “You want to go to Saint Louis University. It’ll help you go there.” She says she likes College Kids in theory: “No one knows about it. But if it’s something that helps you think about college, why not?”

At Buder Elementary School in Southampton, parents show the same lack of awareness.

Bethany Friedrich, who talked to a reporter in early May while waiting to pick up her two young sons, a first grader and preschooler, says she isn’t sure she’s heard of College Kids.

“It’s hard to take part in a program, especially if you don’t know about it,” Friedrich says. “We get emails about different college savings accounts.”

“I feel like a piece of paper came home at some point,” says Jeff Friedrich, her husband. “A lot of pieces of paper are coming home.”

Jeff Friedrich says he thinks there is a low participation rate at Buder because of language barriers; a large percentage of school parents are immigrants from Bosnia, Serbia and other non-English-speaking countries.

When told about the program’s overall low participation rate, Bethany Friedrich reacts with a look of complete unsurprise.

“It’s another one of those good ideas that’s hard to execute,” she says.

Bridget Kelly, the mother of a first grader at Buder, expresses support for College Kids.

Each month, Kelly says, she contributes \$50 to daughter Laramie's account.

"I like it because I think it shows creative thinking and community investment in kids," says Kelly, a doctoral student of international urban history at Washington University.

Kelly, who has taught middle school and high school, describes her support of College Kids as consistent with her overall support of public schools.

"They're important to me because I believe they are sites of democracy and have the potential for democratic life," Kelly says. "People vote here. People send their kids here."

From the outset, large groups of young people who live within St. Louis were intentionally omitted from the College Kids program.

That includes the thousands of students who attend private and parochial schools within the city, as well as students from the city who attend school in St. Louis County under the voluntary desegregation program that began in 1999 and is now in the process of winding down. In the seven years since College Kids began, more than 1,100 kindergarten students from the city have begun school in the county, records show.

And participation in College Kids is by no means guaranteed for students who attend the city's many charter schools. While publicly funded, they have more flexibility than traditional public schools.

Premier Charter School, in Northampton, has declined to take part in the program.

Andy Vien, the school's finance director, says that in the fall of 2020 he was contacted by the director of College Kids.

And “just as we started the discussion to understand the program and its requirements from the school’s end, pandemic priorities consumed all of our focus,” Vien writes. “As we rebound back from pandemic times we are certainly open to re-engaging about the program.”

Yet even if they do, it won’t help many Premier students. While the College Kids website says students can sign up through fifth grade, Layne says the treasurer’s office has a policy — called single-entry point — of only allowing students in kindergarten to open College Kids accounts. If students enroll in the St. Louis Public Schools after that, or their school signs on after they reach that grade, the program is closed to them.

Coordination between charter schools and the treasurer’s office can be problematic, especially as it pertains to turning in kindergarten enrollment rosters on time or correcting clerical mistakes that keep eligible students from receiving incentive deposits.

That’s been the story for Kathryn Bonney, whose two daughters and son over the years have collectively attended four different charter schools: St. Louis Language Immersion School, the Soulard School, Atlas Elementary and Kairos Academies.

A clerical mistake at the Soulard School kept Bonney’s younger daughter and her classmates from enrolling in College Kids in the fall of 2020, despite their apparent eligibility. The situation is the subject of a long-running email chain between Bonney and Layne — and still hasn’t been resolved three years later.

In a January 2023 email to Layne, Bonney noted that her second grade daughter had signed up for a Virtual Family Savings Night on Zoom.

“She however is not eligible for the \$20 because she does not have a CollegeKid [sic] account,” Bonney wrote.

In her email, Bonney pointed out that her daughter's school, Atlas Elementary, had signed a memorandum of understanding with Layne's office and had submitted an enrollment roster by May 2022.

"You indicated at the end of October that she did not have an account and you had not addressed the issue," Bonney wrote. "Does she have a CollegeKid account at this time? Do any of the Atlas Elementary students have accounts? And if not, why?"

For his part, Layne disputed several aspects of Bonney's account. He also said he is unwilling to make an exception to his office's policy of only enrolling kindergartners in the program, even if the program's website suggests students are welcome to join up through fifth grade.

"I informed Ms. Bonney of our single-entry point program policy and that we follow our policy," he wrote in his email.

Over the past three years, Bonney has pushed to make sure her kids get enrolled in College Kids and receive the incentives she believes they are entitled to. She's also made it her mission to ensure all eligible St. Louis students are enrolled in the program, especially those excluded through no fault of their parents.

"So if one kid can stay in school and actually get somewhere based on the idea they have money for college, then this program has served a purpose in my mind," Bonney says. "My motivation has always been to get as many kids into this program as possible."

Unfortunately for Bonney, she has nowhere to appeal Layne's denial of her daughter's enrollment. The Board of Aldermen approved the creation of a new Office of Financial Empowerment to oversee College Kids in July 2015. With a 28-0 vote, the aldermen left it up to Jones, and now her successor Layne, to run the program as they best saw fit. Unlike some similar

programs elsewhere, St. Louis' is run by the treasurer's office and its staff, not a board of directors. The program's nine-member advisory board is run by Christina Cavazos Bennett, the city's assistant treasurer.

During discussions in 2014 and 2015 about College Kids, a few city officials expressed skepticism over its aims and likelihood of attaining its stated goals.

Then-Alderman Jeffrey Boyd stated in 2019 that opening the accounts was "a good gesture" but he doubted if low-income families would ever add to their accounts if they're struggling to pay for basics such as food and rent.

Last year Boyd quit the aldermanic board and pleaded guilty to federal bribery and fraud charges. In January he began serving a three-year sentence in federal prison.

If programs like College Kids can be likened to a ladder to enable low-income families to climb out of chronic poverty, then Janai Holt and her three kids exemplify the sort of people this ladder was invented to help.

The 27-year-old desperately wants her kids to attend college.

Holt grew up in foster care, shuttling among families who valued her only for the monthly government checks she brought them, she says.

"I was never valued as a person," she says. "Because I didn't get the opportunity. I was a ward of the state. I was in foster care, and they didn't give me the funds to go to college."

On a breezy afternoon in late April, Holt is pushing a stroller down the sidewalk. The stroller contains the sleeping form of her daughter Royalty, 2. Walking beside Holt are daughter Ja'Kailayah, 9, and son Ja'Keim, 8.

Holt has just picked up the older children from Ashland Elementary, a hulking century-old, red-brick edifice that looms over the surrounding Penrose neighborhood in north St. Louis.

Holt says she spent much of 2020, during the worst of the COVID pandemic, living out of an old Chevy Tracker sport utility vehicle, caring for two small children while pregnant with a third. Her two oldest kids were still enrolled in St. Louis Public Schools, but took classes virtually, over tablets.

Then by late summer 2021, with the help of a friend, she found an apartment and enrolled the two older kids at Ashland, a walk of eight blocks from their new home.

Her dream that her kids would one day graduate from college and build a better life for themselves, she says, kept her going during those months in the Tracker.

“If they get an opportunity for a trade or some type of college funding behind them, to become something, to get a foot inside, I’d be grateful,” Holt says. “I didn’t get an opportunity, and I’m struggling so bad.”

Her kids are likewise primed for college.

“I want to be president,” Ja’Keim declares brightly. “Or be a construction worker.”

Ja’Kailayah is also eager to dive into a grown-up career one day.

“I want to be an art teacher,” she says, staring off into the sky. “Or maybe when I grow up I’ll be a chef. I want to cook shrimp and meats and all different things.”

Holt and her kids are exactly the family that College Kids is supposed to help. “And I’m exactly the family they never did,” she says.

Yet program records in the city treasurer’s office show that Ja’Kailyah and Ja’Keim have indeed been enrolled in College Kids for the past two years — unbeknownst to Holt.

“They didn’t tell us about the program at all,” Holt says. “Nobody mentioned anything about being automatically enrolled. They never said anything.”

They’re not getting attendance bonuses. “Neither child has turned in the consent forms or contacted the program manager,” Felice McClendon, a spokeswoman for Layne’s office, says by email. But they were automatically enrolled when they began kindergarten at Ashland.

This news comes as a surprise for Holt. And then the reality of College Kids sinks in.

It’s only \$50 per child, for a total of \$100.

Who can go to college on that? She might as well spend that money on lottery tickets.

So does she think the College Kids accounts will make much of a difference for her kids’ futures?

“I really don’t,” Holt says. “Because the amounts are so little. College tuition is so many thousands of dollars.”

One month after being told about College Kids, Holt texted a reporter that she still couldn't get through to the treasurer's office to sign the consent forms.

"No one ever answered," she wrote.

Built in 1911, and as seemingly sturdy as a Roman fortress, Ashland Elementary School is a monument to a far different school district and city, a different America than today.

At 3 p.m. on school days, Ashland's double doors swing open. Waves of small boys and girls squeeze through the doorway, surging toward parents waiting on the sidewalk.

Some people might see Ashland as a powerful link to the past. Archival photos from the 1920s show its playground overflowing with white kids, many doubtlessly the sons and daughters of new immigrants from Italy, Germany and Ireland.

In those days it seemed as if both the St. Louis Public Schools and the city the district served were riding an unstoppable trajectory of growth. And both were, for decades.

Janai Holt, who picks up her second graders at Ashland every day, says she doesn't think about that history. It's buried too deep in the past, like a fading photo belonging to a family of strangers.

Instead, Ashland symbolizes all the impediments she faces as a single parent in St. Louis.

The lack of reliable bus service. The unsafe neighborhoods. A shortage of caring teachers. The effects of a kindergarten year during the COVID

lockdown, when in-person teaching was canceled and learning was conducted fitfully through a tablet.

“It’s a dropping pillar,” she says of the school district. “It’s falling. It’s falling hard and fast.”

The St. Louis Public Schools reached its peak enrollment more than 50 years after Ashland opened. In 1967 the district served more than 115,000 students.

But by the 1960s and 1970s, St. Louis was losing big factories and other major employers, accelerating the white flight that began a decade before. That was followed by middle-class Black flight, mostly into north St. Louis County. That trend continues. Nearly 27,000 Black residents moved out of St. Louis over the last decade, according to the 2020 census.

By 1998, district enrollment had fallen to 44,000 — a decline of 62 percent over three decades.

By 2022, enrollment was less than 17,000 — a 61 percent drop over 25 years, and a 14 percent drop compared to 3 years prior, before the COVID pandemic hit.

The school district’s ongoing enrollment losses raise serious questions about how many students who begin kindergarten in St. Louis will actually be left in the district to access their accounts at graduation.

Under the program’s design, students may not get any of their city-donated money, including seed deposits and other incentives, unless they graduate from a St. Louis public or charter high school.

Move to Hazelwood? You're out of luck. Transfer to a private school? You surrender that money. (You can, however, withdraw any family-made deposits.)

You can start to see why so many parents aren't focused on the incentives. Committing to being in St. Louis to withdraw it 13 years after kindergarten seems like a singularly bad bet, especially if you're seriously planning to leave already.

Beyond that, the overall College Kids program continues to shrink.

In the 2015-2016 school year, the treasurer's office enrolled 3,118 students into College Kids accounts, records show. The program peaked two years later, with 3,610 new accounts.

But then, tracking closely to declines in overall district enrollment, the number of new College Kids accounts has dropped to just 2,307 accounts in 2022, a decline of 38 percent over five years.

For her part, Holt's kids are in St. Louis schools. For now.

She harbors big dreams for her life and for her kids — dreams of owning a house in a safe neighborhood and attending her kids' high school and college graduations. And, yes, she dreams of moving out of the city as soon as she can afford it.

Holt talks guardedly about these dreams, though, as if saying them out loud could jinx them.

"When you're struggling so much it's hard to value the future," she says, "because you don't know what's to come."

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