

# Small Savings Build Big Dreams: Helping young families plan for higher education



## Situation

Research suggests that students with designated savings for higher education, even in small amounts, are:

- More engaged in school.
- Have higher reading and math scores.
- Are more likely to graduate from high school.
- Are more likely to attend and graduate from institutes of higher education—factors that often contribute to greater earnings and less unemployment over a lifetime.

Several national surveys show parents shared the importance of higher education for their children, yet half of all families have not put money aside for their children's education. This suggests that the positive effects of college savings

accounts and early planning may not be well known by families and communities wanting to help students succeed in the workforce of tomorrow.

In 2016, UW-Extension educators conducted in-person surveys in five counties that collected responses from 44 parents with children 12 years old or younger. Findings confirmed the need for information on saving and paying for higher education. All of the parents surveyed indicated that their child would attend college or technical school after high school. However, more than half did not know where to find money in their budget for college savings and had not, in the past month, set aside money for school or talked to their child about college or career interests. One-third of parents did

not know where to find information or who to talk to about college planning.

## Reaching Wisconsin Families

UW-Extension received private grant funding from the Meta Schroeder Beckner Endowment through the UW-Madison School of Human Ecology to reach parents of 5-10-year-olds with a new Small Savings build Big Dreams (SSBD) initiative. The goal is to provide financial education through easy-to-use information about saving for children's higher education and increase household conversations about future careers.

UW-Extension created the outreach initiative materials for parents, grandparents, and community members interested in learning more about saving for children's higher education. A new website — [fyi.uwex.edu/collegesavings](http://fyi.uwex.edu/collegesavings) — connects learners to videos, English and Spanish factsheets, and other trusted resources. Statewide outreach by UW-Extension educators in 2016 and 2017 included presentations at community events, school activities, and fairs, plus dissemination through media campaigns and school newsletters.

## Family Living Programs Impact Report

### Results

During 8 workshops, 190 households received information about the importance of saving for college, along with options for starting a higher education savings account that best matches their family's situation. At 13 interactive family displays, 1164 parents and children engaged in activities around career interests and college savings. Individual coaching with 26 parents also helped families consider their child's future education and plan strategies for saving.



In addition to presentations and displays, newsletters and fact sheets sent home with children or included in parent newsletters reached another 740 households. With materials available in English and Spanish, 5% of families reached included Spanish-speaking individuals.

Planning for higher education was also incorporated into existing UW

-Extension educational programs reaching young families. For example, more than 2000 households participating in the UW-Extension Money \$mart in Head Start program now receive a new newsletter edition focused on college savings. In a year-end newsletter survey conducted by three counties, the majority of respondents (81%) reported that the newsletters were useful. Newsletter readers also reported that the newsletters helped them to set a financial goal (55%) and put money into a savings account (53%), which are important

financial behaviors needed to plan and save for higher education.

In addition to more than 4100 young families reached directly, news releases through local papers, radio

stations, and social media reached an additional 7000 households with the goal of encouraging conversations around future career and education.

### **Building Future Financial Security**

UW-Extension is well positioned to connect families with information that can help youth succeed in

education, develop rewarding careers, and contribute to the Wisconsin economy. The SSBD workgroup continues to connect with diverse statewide organizations supporting higher education and workforce readiness. Across Wisconsin, service organizations' scholarship committees serve as a potential venue for promising college scholarship funds to elementary or middle school students to promote savings and foster an early college-bound identity. As families, schools, and communities look for ways to support students, *Small Savings build Big Dreams* is a resource for real-life strategies to help young people get the education they need to reach their dreams.

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