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For Immediate Release

Financial Stability Summit Draws More than 125 Community Leaders Who Want to Help Low-Income People Build Better Lives

United Way Announces New Community Initiative Aimed at Helping Low-Income Youth and Young Adults Save for College

(Kansas City, MO)---How do you help at-risk youth and young adults succeed in life? You start by providing access to the tools they need to land a job that pays enough to support their families and bring stability into their lives. It was a key topic of discussion during today's Financial Stability Summit, co-sponsored by United Way of Greater Kansas City, Federal Reserve Bank of Kansas City and the Federal Deposit Insurance Corporation (FDIC). More than 125 community leaders from business, government education, and the nonprofit sector met to learn about the importance of financial education and asset-building opportunities and the important role they play in helping people build more stable lives. They also heard about a new United Way community initiative designed to help at-risk young people save money for college so they can acquire the knowledge and skills they need to effectively compete for jobs in today's high tech world.

During the day-long Summit, participants heard from a national expert who has studied what is required for young people from low-income households to escape the cycle of poverty. Michael Sherraden, director and founder of the Center for Social Development at Washington University, has helped communities create programs that encourage individuals from low-income families to save money for life-changing goals. Sherraden said, "Financial education and Individual Development Accounts (IDAs) can play a crucial role in helping teenagers and young adults build a stable future. It encourages them to set goals and gives them a purpose." He added, "Often, the best use of IDAs is for education. It is a long-term investment in a person's future. Research has shown that teenagers who plan to attend college are seven times more likely to actually do so if they have a savings account in their name."

Embracing that concept, United Way of Greater Kansas City (UWGKC) President and CEO Brent Stewart today announced a new United Way community initiative, called Decade of Difference. The initiative is aimed at helping young people from low-income households who are between the ages of 16 and 26 gain the knowledge and skills they need to become financially self-reliant for the rest of their lives. Stewart said UWGKC is committing \$425,000 to Decade of Difference this year.

The new United Way initiative will include a three-pronged approach involving financial education, individual case management, and an asset-building savings program in which United Way will provide a dollar-for-dollar match of up to \$2,000 when the money is used for post-secondary education at any of the Metropolitan Community Colleges or Johnson County Community College. Stewart said the match could increase to \$2 for every dollar a participant saves if UWGKC is successful in landing a federal grant for which it has applied. In order to qualify for Decade of Difference, young people must live in households with income that is below 200% of poverty level and be residents of Jackson, Clay, Platte or Cass counties in Missouri or Johnson County, Kansas.

UWGKC says it already has 9 community partners from business, education, and the nonprofit sector committed to participate in Decade of Difference, but emphasized it is seeking others to join them as well.

United Way is looking for additional organizations willing to invest financial or human resources that will allow more at-risk youth and young adults to apply. In addition to matching money for IDAs, United Way is also seeking volunteers to teach financial education classes and to serve as mentors for the young people involved.

As part of the Decade of Difference, United Way and its partners will also be considering other kinds of matched savings accounts, beyond education, to help young people improve their financially stable. Those decisions, on other acceptable savings goals, will be further defined over the next several months.

Summit participants learned about a similar asset-building program for at-risk young people in Denver, Colorado. The program, called Bridging the Gap, is run by Mile High United Way. Their program is limited to teenagers and young adults who have come from the foster care system and need extra help in pursuing financial stability and building successful lives. The program, which also incorporates financial education and mentoring, has been operating for eight years and is considered highly successful.

Today's speakers encouraged participants to join United Way and other community partners in their efforts to help at-risk youth and young adults during this critical stage of their lives. Stewart said, "The research is clear. Postsecondary education is the pathway to lead individuals and their families out of poverty. Across all racial and ethnic groups and for both men and women, the more education you have the higher your income. People who have an associate's degree earn 29% more than those who only have a high school education. We believe Decade of Difference can help young people build the foundation they need to become self-reliant adults. It is good for them, important for their children, and benefits our entire community."

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