

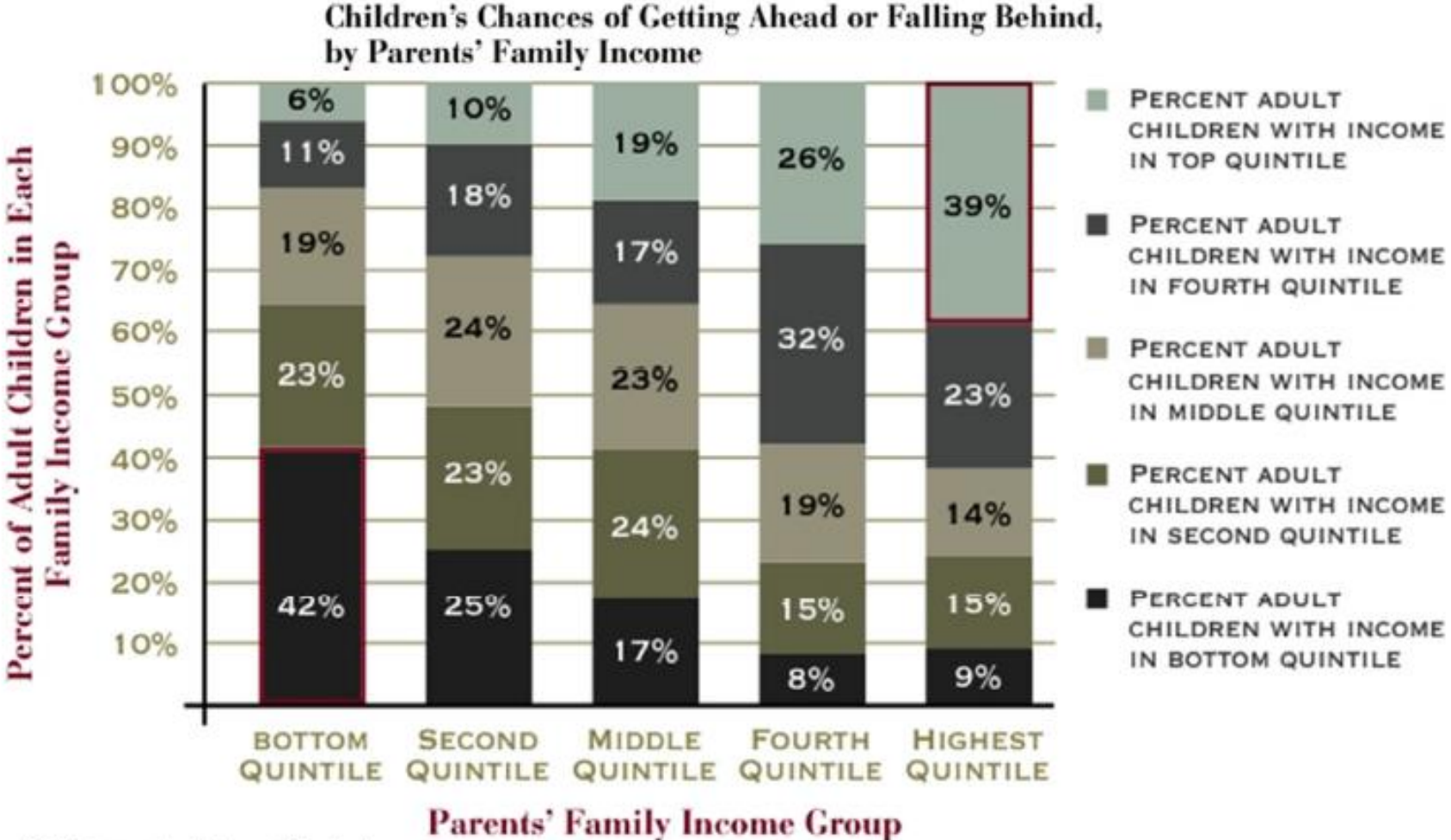


# **Positioning Low-income Youth for Economic Mobility**

***MyPath's Innovations in Products,  
Systems and Financial Education***

August 18, 2014

# The Need: Economic Mobility



Source: PSID data tabulations of family income averaged over several years and reported in 2006 dollars.

# Mission SF Vision

Mission SF positions low-income youth and young adults to take control of their personal finances by ensuring they have:

1. Access to quality financial products,
2. A working knowledge of personal finance best practices, and
3. A social support system to develop and sustain sound financial habits.

When we do this, we promote upward economic mobility and cultivate a stronger, more sustainable economy.

Mission SF also focuses on data-driven programming and third-party, academic evaluations.

# Mission SF: Innovation in Products

- Problem: Few financial institutions offer products that are tailored to meet the needs of low-income populations, especially youth.
- Innovation: Mission SF worked with Self-Help Federal Credit Union to develop MyPath: Savings accounts for youth, and Credit Builder Loans for young adults.

# Mission SF: Innovation in Products

*“I have a bank account, but it’s in my mom’s name, so I can’t even cash a check or take out money without my mom there. So it (the MY Path account) was a safe place to keep my money and make a deposit or do whatever I needed.”*



# Mission SF: Innovation in Systems

- Problem: Most workforce development programs don't put their youth on payroll, opting instead to pay with paper checks that are immediately turned into cash.
- Innovation: Mission SF helps workforce development programs implement direct deposit for all of their youth and young adults, with an automatic split into savings or payment on a credit builder loan.



# Mission SF: Innovation in Systems



## MY PATH™ SAVINGS PROGRAM OVERVIEW



### MY Path™ Savings Account



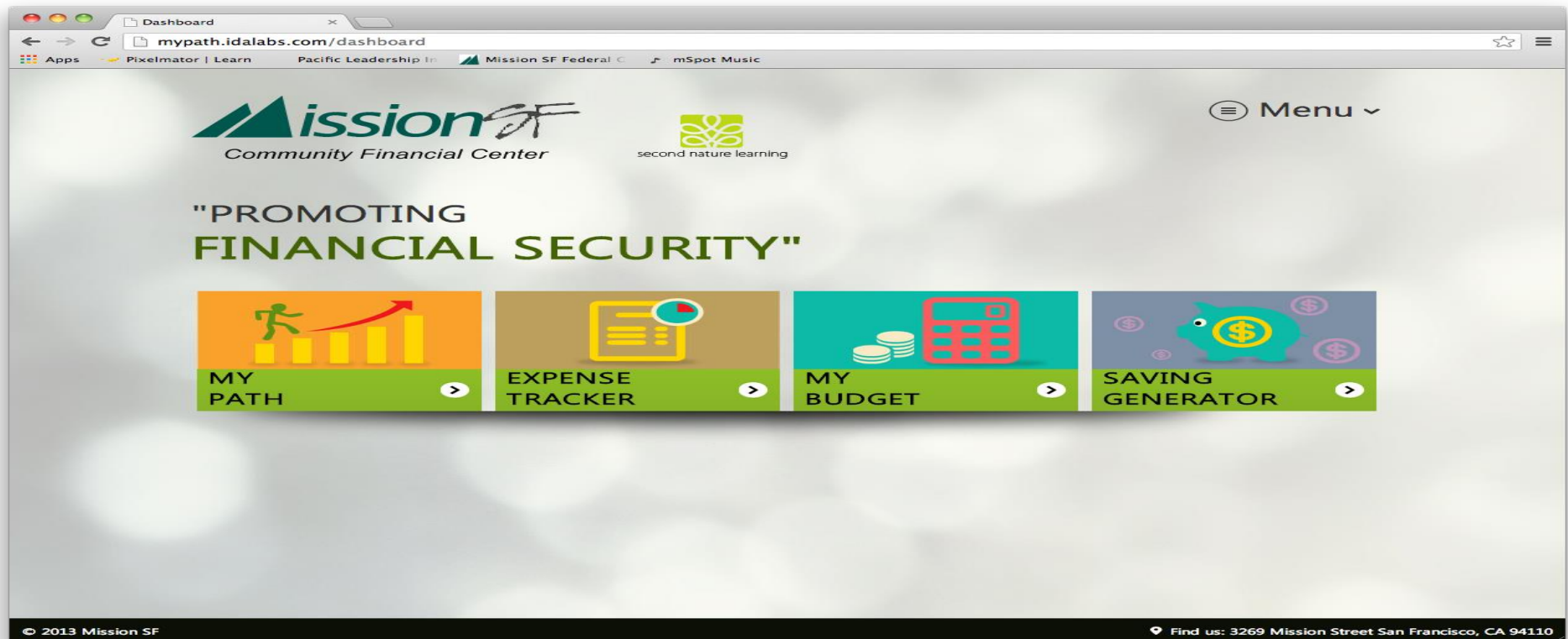
- The percentage of each check you chose to save will be auto-deposited into this account.
- At the end the program the MY Path savings will be automatically transferred into a regular savings account at Community Trust.

### Regular Savings Account

- The rest of your check is deposited into this account.
- If you have an existing bank account, you can use it. If not, you will get one at Community Trust.
- At Community Trust, you can access the money in this account using an ATM card.
- You may keep this account open as long as you want.

# Mission SF: Innovation in Education

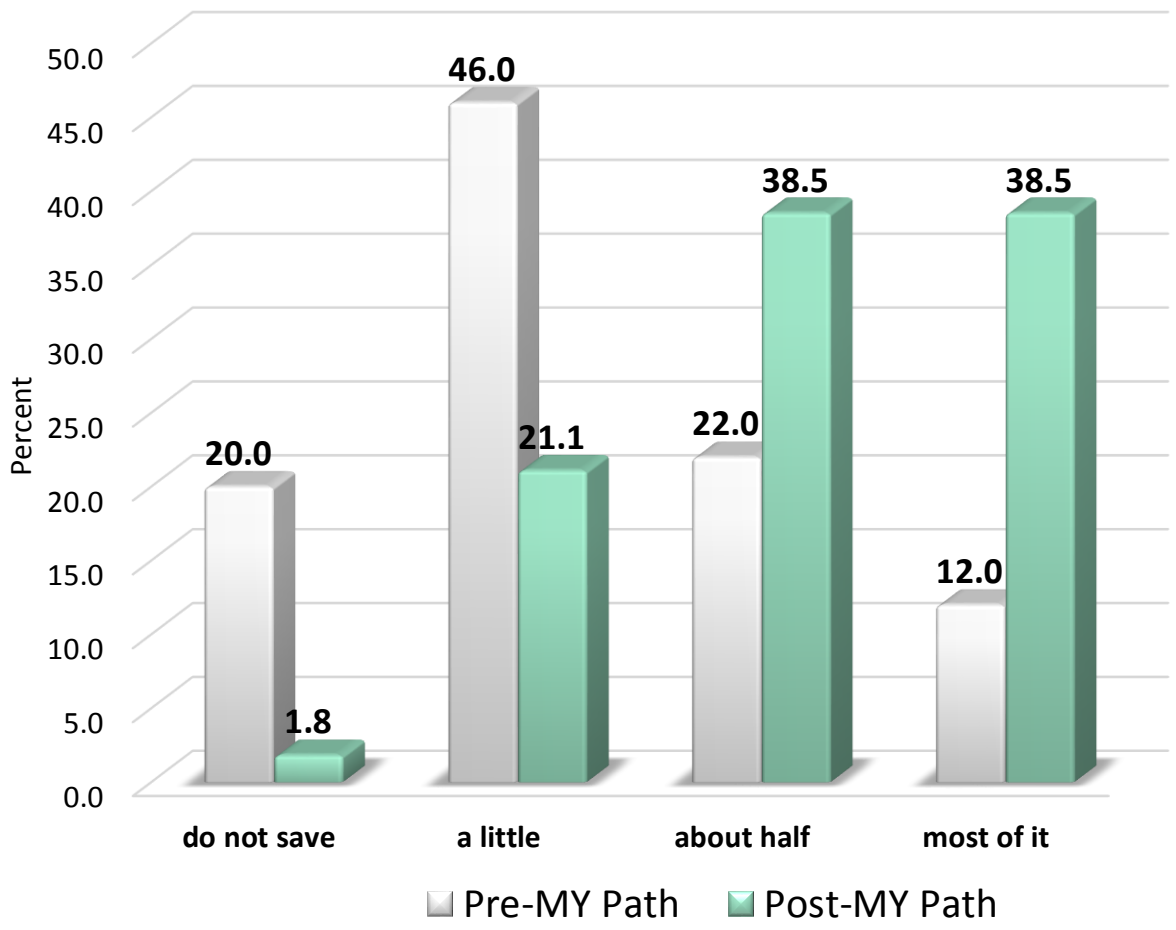
- Problem: In-person, peer-to-peer education has powerful impact on youth behavior, but is difficult to scale.
- Innovation: MyPath Online, a suite of web-based activities to complement peer-led sessions.





# Results: *Savings Habit Formation*

*Do you save a portion of your income/allowance?*



# MY Path Research Project Design

*Research Question: How can MY Path be adapted to become more scalable in order to increase its reach?*

- Testing two versions of MY Path with different levels of in-person adult and peer support.
- Interactive MY Path online activities with incentives to promote financial behaviors.
- Comparing outcomes of high and low touch groups to those of control groups.
- Launch in two new cities in the Summer of 2015