



2020 IMPACT REPORT

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Executive Summary

2020 was a tumultuous year: the global Coronavirus pandemic led to a near complete shutdown of the United States only to be compounded by a nationwide reckoning on police violence and systematic racism. Both of these devastating problems have a disproportionate effect on the youth that America Saves for Young Workers (ASYW) primarily serves. Going into summer 2020, uncertainty prevailed in all aspects of American life, making it unclear whether ASYW was possible or appropriate. In consultation with partners, the America Saves for Young Workers program went forward with increased flexibility, given the shifting and rapidly changing timelines for youth employers.

Due to budget cuts and safety concerns, some partners were unable to hire youth this year. A vast majority of those programs that still launched hired fewer people for less time and/or less pay. All programs shifted to be at least partially virtual. ASYW's online format provided flexibility for those programs to maintain financial capability and instill healthy savings habits. Still, the combined effects of the pandemic understandably resulted in fewer young workers hired and thus reached.

In all, there are significant bright spots from ASYW's partner programs' implementation in 2020. The youth who planned to save this summer had equal amounts of enthusiasm and ambition to save as youth who participated in previous summers. However, that commitment to saving was clearly impacted by the socio-economic climate: saving for emergencies and for family was more popular than ever before. Also, interns working with ASYW staff created the foundation for a National Youth Advisory Council that will offer guidance to America Saves on issues of youth financial wellbeing.

COVID-19's Impact on Youth Employment

As a behavior intervention, America Saves for Young Workers is designed to be introduced at or around the time of a young person's first earning experience. Thus ASYW enjoys a critical relationship with youth employers to capture this audience. In January 2020, new youth employers were signing up to implement ASYW. By March, it was unclear that any youth employers would be able to hire young people in 2020. Ultimately, 18 partners were able to hire youth in some capacity.

All 18 youth employers made significant and fundamental adjustments to their programs. Of the programs that responded to the end of summer survey, all but one experienced budget cuts¹. Every single program shifted to include virtual components, with over half going entirely remote. In extremely short turnarounds, programs implemented these changes, though also had to change their scale:

- **83% of programs had to reduce the number of young workers hired.**
- **58% had to reduce the length of employment or the number of hours per week.**
- **Youth pay was reduced by 41% of responding partners.**

The America Saves staff as a whole, and the ASYW staff in particular, recognize creativity, flexibility, and dedication it took to offer young workers employment and financial capability this summer. We applaud those efforts and cannot convey the dexterity required from these programs to shift so dramatically under such a short timeline.

2020 Impact Numbers

While COVID-19 greatly reduced the number of participating programs and youths able to take advantage of America Saves for Young Workers, enthusiasm for saving has remained largely consistent.

- **18 youth employment programs implemented**
- **These programs employed 102,566 young workers 14 – 24 years old**

Of the youth hired this past summer, 9,865 pledged to save a total of \$16,497,120. The average young worker pledge to save \$1,672 over about five months. This consistent with 2019's average total pledge to save \$1,704 over five months.

There was a reduction of young workers that received direct deposits from 66% in 2019 to 47% in 2020. This is tied to employers reducing hours and shifting payments from an hourly wage to stipends or other one time payments.

¹ 12 of 18 participating employers responded to the end of summer survey.

Top Savings Goals:

Top 3 Young Workers' Savings Goals

2020	2019
Education (20%)	Education (20.5%)
Emergency Fund (17%)	Clothing and Shoes (17%)
Clothing and Shoes (15%)	Emergency Fund (14%)

Young workers' savings goals reflect a shift in priorities, very likely associated with the pandemic. For the first time in ASYW's program history, Emergency Fund was the second most common goal. Clothing (and Shoes) and Education still remained in the top three savings goals for youth. However, savings goals outside of the top 3 priorities also had notable shifts: Family rose above historically more popular goals of Car (or Other Vehicle) and Electronics.

Other Savings Goal Shifts from 2019 to 2020

Goal	2020	2019
 Family	6.8%	6.34%
 Car or Other Vehicle	6.59%	7.12%
Electronics	6.63%	6.63%

National Youth Advisory Council

As part of America Saves' response to COVID-19, America Saves for Young Workers hired six interns to envision a National Youth Advisory Council (NYAC). The interns, a mix of high school and college students, developed an extensive understanding of the financial disparities pervasive in the United States and their historical causes. From this understanding, the interns developed the mission and structure of the NYAC which will advise America Saves on how best to address youth financial wellbeing in real-time moving forward and also disseminate financial capability messaging to their peer communities.

The National Youth Advisory Council will add a substantial youth voice to America Saves broader mission. Specifically, the NYAC will provide input on how to tackle the financial barriers for youth and young adults, to develop and create marketing materials that capture a peer-to-peer conversation, and to plan and implement methods to educate youth and employers of young people. The Council is very intentionally designed to include young people with a wide variety of experiences and skill sets. NYAC will be made up of 14-24 year-olds divided across two tracks; high school and post-high school. The post-high school track will include both youth enrolled and not enrolled in secondary education.

Members of the Council will have the opportunity to participate in one or more of the following working groups depending on their interests:

Savings Advocates are in charge of promoting the council by speaking at places like high schools, colleges, and public libraries. As COVID prohibits in person gatherings for now, advocates will host online meetings/informational sessions for people interested in joining the council.

Content Creators will make videos, digital posters, artwork, or posts for the America Saves social media site and for the NYAC's social media. Skills utilized for these projects include: graphic design, Photoshop, and/or video editing.

Communications projects include organizing and planning events, like a zoom meeting discussing tips for saving money or a basic personal finance class. They will also help to recruit people to these events and are in charge of determining key financial messages to be communicated in the other groups' projects.

Financial Literacy projects are for members with an interest or background in finance, financial education, or anything money related; experience is not required, only interest.

Youth Savings Success

Despite the turmoil over this past summer, there are success stories!

- ❖ SYEP Bridge 2020 reported their highest ever number of banked youth and direct deposit users.
- ❖ Summer Jobs Connect Miami worked with the Dade County Federal Credit Union to provide their youth a chance to open bank from the safety of their homes.
- ❖ 50% of young workers from Hire KC opened new bank accounts.

Young workers also report successes. This quote from a One Summer Chicago demonstrates the how much the America Saves for Young Worker program, in conjunction with an engaged employer, can lay the foundation for healthy financial habits.

"This financial education experience has encouraged me to start a savings account. Prior to signing up for [ASYW] I did not have a savings account, but kept extra money to the side. The benefits of obtaining a savings account has provided me a designated space that I can't touch or transfer money out of but only into. This account has helped me to understand discipline and structure. For example, this summer I put \$100 in my savings account every two weeks. Often times I can carry a

full plate and become forgetful of things so, I set a reminder in my calendar. Every other Friday I placed money into the account. Me being the person I am I have a habit of spending every dollar that touches my pockets on wants and not needs! This course has taught me the true importance of having a savings account and money that can be used as an emergency fund.”

Conclusion

The year presented unforeseeable challenges to our society across the board. As practitioners and policymakers, it is critical not to lose sight of this crucial demographic of youth and young adults. In addition to the hard skills 14 – 24 year-olds acquire through their first employment experiences, they also gain insight into different career tracks, learn soft skills, and- most critical here- have their first experiences with money. The pandemic has already delayed these opportunities for many youths. In the coming months, it is vital that youth employment opportunities not get pushed to the side or altogether eliminated.