

**Contact:** Wallace Louie  
Director of Communications  
[wallace@oaklandpromise.org](mailto:wallace@oaklandpromise.org)  
510-903-9714

## **Oakland Promise's Brilliant Baby Program Surpasses 1,000 Oakland Families Receiving College Savings Accounts and Access to Financial Coaching and Community Support**

### ***Milestone Indicates Momentum of Oakland Families Advancing their College and Career Aspirations for their Children through College Savings Accounts (CSAs)***

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College Savings Accounts (CSAs), set up and funded for children from under-resourced families, are financial instruments gaining traction in cities and states across the nation to help families prepare their children for college at the earliest stage in a child's life. Since 2017, Oakland Promise's Brilliant Baby program has established CSAs for Medi-Cal eligible newborns in Oakland seeded with \$500, providing tangible support to advance parents' aspirations for their children's college and career success. The program recently passed the milestone of establishing college savings accounts for 1,000 babies, while also offering financial coaching, parenting education and a community of support for their parents. Because children's college funds are invested in a 529 college savings plan, the money will grow over time and withdrawals are free of income and capital gains taxes.

Between the Fall of 2017 and October of 2021, the \$500,000 initially invested in 1,000 children's college savings accounts grew by more than 30% to the current value of \$664,000. Children whose college accounts were established in 2017 have seen their college funds grow by more than 50%. Brilliant Baby also provides one-on-one financial coaching sessions for parents and guardians with a certified financial coach who helps them focus on defining and achieving their goals for their families. In the last year alone, eight out of ten parents who secured a CSA for their child also participated in financial coaching, 317 parents attended financial workshops, and 250 parents attended parenting education workshops. To enroll in Brilliant Baby, the child must be under 12 months of age, live in Oakland, and be Medi-Cal-eligible.

Sahunthala Ananthaselvan, a parent of a Brilliant Baby, who received her college savings account in January of 2020, says, *"I thank God for the opportunity to join the Brilliant Baby program, financial coaching, and having my son's college savings account. It's guiding and teaching me more things. Being part of a community has enabled me to learn and grow. Thank you and please let it continue forever."*

Child Savings Accounts complement efforts to reduce inequality in early education, facilitate college completion, and improve post-college financial health. [An experimental test of CSAs](#) finds that infants who were randomly assigned to receive a CSA demonstrated significantly higher social-emotional skills at age 4 in comparison with counterparts who received no CSA. CSAs give parents [new hope](#) for their children's futures and may change how they interact. In addition, CSA effects extend beyond children; CSAs reduce [maternal depression](#) and increase parental [educational expectations](#) for their children.

About half of families in the Oakland Promise Brilliant Baby program are Latinx, 30% are Black/African American and 10% are Asian/API. A recent survey of Brilliant Baby guardians showed encouraging results:

- 93% of guardians expect their child to go to college or vocational school
- 89% of guardians said the program positively influenced the way they think about their future while 86% of them said the program positively influenced the way they think about their child's future.

*“When parents are able to secure this early investment in their child’s education and then watch that investment grow over time it is such a positive and inspiring experience. It means a lot to have resources and a supportive community backing you as a parent”* says Amanda Feinstein, Director of OP’s Brilliant Baby program. Adds Rachel Westmoreland, Interim CEO of Oakland Promise, *“The far majority of families are BIPOC, which have long been underserved and so the financial and supportive resources that they receive from us helps a bit in leveling the playing field for them to attain their college and career aspirations. We are delighted that our many partners, donors and supporters are supporting this community effort in creating more equity.”*

Early findings from a [longitudinal, randomized controlled trial \(RCT\) study](#) of the Brilliant Baby program conducted by NORC at the University of Chicago and UCSF Benioff Children’s Hospital Oakland shows positive indications that College Savings Accounts (CSAs) established for infants who are Medicaid eligible bolster parents’ aspirations for their children’s education while also reducing their stress and increasing hope and financial well-being.

### **Summary of Findings:**

- Increased parents’ expectations that their children will complete on average one additional year of education.
- Parents with a college account for their child reported increased hope, as measured by the State Hope Scale, which measures feelings of determination and planning to meet one’s goals.
- Lower parent stress at 6-month follow-up.
- Improvement in financial well-being was shown from baseline to 6-month follow-up among families with a college account for their child; whereas the control group showed no significant change.

Oakland Mayor Libby Schaaf states *“This Oakland Promise initiative that started in 2016 is just beginning to flourish. By planting seeds at the earliest stage and each subsequent stage of a young person’s educational journey, we will be supporting the college and career dreams and outcomes of Oakland families for years to come.”*

Part II of the Study is underway in evaluating the longer-term impact of Brilliant Baby’s financial coaching benefit to Oakland families; findings will be reported.

### **About [Oakland Promise](#)**

Oakland Promise (OP) is available to young learners (from newborns to college students) and their families who reside in Oakland. OP offers every child the financial resources, support, mentorship and incentives they need from birth and throughout their school years to empower them to seek out and thrive in the higher education and career of their choosing. OP provides services through four core cradle-to-college and career programs at each stage of a young person’s development: Brilliant Baby, Kindergarten to College, College Access and College Completion. Through these programs, OP offers college savings accounts (529s), Early College Scholarships, 2 to 4-year College Scholarships, financial guidance for parents and students, college building culture programs and critical resources to empower students to develop their college and vocational bound identity and persistence. Explore more at [www.oaklandpromise.org](http://www.oaklandpromise.org).

### **About Oakland Promise’s [Brilliant Baby Program](#)**

The Brilliant Baby program supports children’s early healthy development and school-readiness by setting up college savings accounts for babies (Medi-Cal qualified), offering financial coaching to parents and caregivers, and building a supportive community with the whole family. Our goal is to help put a child on the path to success in school and life. With an early investment in their child’s future, in combination with financial coaching and additional support, families embrace a firm expectation that their child will attend college. Research shows that children who expect to go to college are significantly more likely to eventually become college students than those who do not.

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