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ASSET PROGRAM PROVIDES ACCESS TO YOUNG DREAMS

YOUTH AGENCIES IN CALIFORNIA TO OFFER MATCHED SAVINGS ACCOUNTS TO UNDERSERVED YOUTH

Darrence Davis is a 19-year-old African American youth from a single parent home, from one of the most crime ridden neighborhoods in San Francisco, Bayview-Hunter's Point. He dreams of one day opening his own music production studio. Today, his first day of college, he is one step closer to his dream.

Four years ago, Darrence Davis enrolled in a special program that hoped to help youth like him learn the basics of financial education as well as provide an opportunity and incentive to save towards his goal. This incentive is in the form of a matched savings account where every dollar he saves increases 300% if he uses the money towards a goal such as starting a small business or towards school or vocational training. This program is called Individual Development Accounts and is a popular asset building program in the United States that is usually geared towards adults. Juma Ventures is one of a handful of organizations in the US that provides such a program to young people. Juma Ventures is a youth agency based in San Francisco which is also known for providing youth jobs at its social enterprises in San Francisco and Oakland.

Darrence was initially drawn to this program by the idea his money being matched but did not consider college because he thought it would be too expensive. Darrence's experience is not uncommon in programs such as this. This initial desire to save and "pay himself first" was not enough to actually motivate him to save regularly. Instead, it took a personalized approach and earnest conversations with staff to help him connect his dreams and goals to the opportunity of his matched savings account. Through individualized coaching, Darren was able to see that his goal of standing out and launching his own music studio would be more attainable with additional education and training. Staff linked him with an education programs at the local community college where he receives additional support around his desire to attend college, register, file for financial aid and tutoring

In September 2007, Darrence started depositing \$100 or \$200 of his general assistance checks into his individual development account (IDA) every two weeks. "I put my checks in, instead of risking. This program opened doors for me," says Darrence. "I realized I could still follow my goals and succeed."



His savings of \$2100 grew by 71% to \$3600, thanks to the maximum match dollars of \$1500 he earned through with this account. With this, he is able to pay for college tuition, buy books and a computer; Darrence is a first year student at City College of San Francisco—he plans to major in Multimedia. Darrence is also the first in his family to attend college.

In his free time, Darrence works towards his goal of being a professional music producer. He goes to the Boys and Girls Club in Excelsior, where he has been picking up music production skills from the staff and uses the production equipment to produce beats. He promotes his beats on MySpace and attests to having over 10,000 plays of his songs.

Building on over 8 years of experiences with youth like Darrence, Juma realized that they provided multiple opportunities of support to their savers. Through this program youth learn how to save, increase their options to pay for college, learn the basics of financial education, and receive valuable guidance and support from staff who can act as financial and, sometimes, life coaches. While Apple and Nike know the value of promoting to the growing and economically viable youth populations, programs like these were not readily available to youth.

In 2007, Juma Ventures launched its own state-wide pilot to deliver youth IDA programs so that youth across the state can have the same opportunity that Darrence does. The pilot, called Gain Resources Opportunity and Wealth (GROW), is based on a partnership model with youth agencies in San Francisco East Bay, Los Angeles and Orange Counties, and San Diego. These accounts will allow 160 youth to earn a match of 2:1 on up to \$1000 of their own savings. Juma provides training and support to partner agencies as well as provides backend administration of the IDA accounts. This type of division of program labor means that youth agency direct staff can then spend their time doing what they do best, working and supporting their youth. Partners such as East Oakland Youth Development Corporation (EOYDC) have a history of success working with youth in their communities, providing alternatives to the violence in their neighboring locale through sports and other after-school programs. EOYDC is already pretty successful at providing over 3 decades of community support. With Juma's partnership, they are also able to provide a means for youth to save for themselves, teach financial education classes and provide financial coaching support to their savers.

At the end of this three year pilot program, Juma hopes to show success with this partnership model. Success means that more California youth learn to save, they can afford college, and they make smarter choices about their money. Success also means that their partners see positive results with their youth involvement in the program and see asset building as an "asset" to their roster of youth programs. Juma hopes that many more youth development agencies will adopt programs such as this that provide youth an opportunity to build wealth and financial know-how.



The program was made possible with significant funding support from Merrill Lynch, under its Investing Pays Off® educational initiative, Levis Strauss Foundation and the Walter and Elise Haas Foundation.

How does GROW help local youth populations? Low-income youth between the ages of 14-19 receive matched savings accounts where every dollar a youth saves will be matched 2:1. After successful completion of the program youth participants will be able to use up to \$3000 (\$1000 savings, \$2000 match) towards post-secondary education, home purchases, and small businesses. A total of 140 California youth will have access to over \$140,000 in matched savings to help pay for college, buy a house or start a small business.

GROW partners were chosen from a competitive Request for Qualifications process last year and early this year. The RFQ process focused on key criteria around financial and fundraising capacity, youth participant demographics, existing program services, and the impact the IDA program would have in the agencies' current mission.

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About Juma Ventures

Juma Ventures, a nonprofit organization based in San Francisco, is a youth development program that uses an innovative "social enterprise" approach to support disadvantaged youth in making successful transitions from high school to adulthood. In February 2005, Juma was profiled in a *Harvard Business Review* article as one of the leading nonprofit social enterprises, saying "a handful of success stories as told again and again, cases like Juma Ventures, the Bay Area organization that gives employment opportunities to local youth." Juma has also been a pioneer in asset-building programming for youth. In 1999, Juma was the first youth program to develop and offer financial literacy education and asset-building services to teens, where youth build financial knowledge, save for college, small business, and other expenses, and receive matching funds through Individual Development Accounts (IDAs). Today, Juma runs one of the largest youth IDA programs in the U.S., with more than 550 accounts opened and more than \$500,000 saved.

Juma owns and operates concessions businesses at the major sports stadiums in San Francisco, Oakland, San Diego and Washington DC—AT&T Park, Monster Park, the Oakland Coliseum, Qualcomm Stadium and Nationals Park for the purpose of providing meaningful employment and job training opportunities to youth from low-income backgrounds.



The experience youth receive in these jobs is complemented by services including college and career readiness, health and life skills workshops, financial literacy, matched savings accounts, and personalized case management services. Over the past 14 years, Juma has worked with more than 2000 youth from underserved neighborhoods. www.jumaventures.org.