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A Plan She Can Bank On; Savings Program Adds Up For Specially Selected Pupils

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Four-year-old Emmarah Kouadio is one of 500 local preschool youngsters who received an \$800 savings account to begin saving for college.

Emmarah is so serious about savings, she puts whatever money she can find in her piggy bank so she can turn it over to the tuition savings account held by the state.

The Oak Park girl and the other 499 Oakland County youngsters are part of the Savings for Education, Entrepreneurship and Down Payment program that is geared to help the children and their families save money.

The children were selected from Oakland Livingston Human Services Agency's Head Start programs including Pontiac, Brandon, Farmington, Ferndale, Huron Valley, Royal Oak and Walled Lake. Emmarah is in the Grant Early Childhood Program in Ferndale.

Each child was given \$800 when their parent opened a Michigan Education Savings Plan (MESP) 529 account for them, said Susan Mosqueda, program director.

The SEED Program began in 2005 as a test program to support legislation that would provide all children at birth with a \$500 savings account to help the entire family set goals and save toward them. OLHSA recently met the goal of 500 accounts in Oakland County.

Parents such as Emmarah's mother, Deborah Atanchi, have agreed to continue saving a set amount of money each month, and families will take part in the test program to establish and evaluate the effectiveness of long-term savings and investment accounts for young children.

"She knows about the account because when we went to a meeting, the kids were given a piggy bank," Emmarah's mother said. "She walks around picking up pennies off the floor and says, 'This is for my school.'"

"It's helping her a lot. When she sees a dime, a quarter or a nickel, she picks it up and puts it in her piggy bank. It's a very good program."

However, "It's not easy," she adds.

"We were told every month we have to put in something, \$25, and the state of Michigan will match 3 percent of what we put into the account."

Until December 2008, the privately funded program will match dollar-for-dollar any deposits made to the account up to \$1,200, Mosqueda said.

Atanchi, a single parent of three who works at a mortgage company, said she was surprised at the offer of the bank account.

"Right now," she explained, "I don't think I could take \$800 and put it in an account. It is an education for everyone in the family. They are learning about savings.

"My other children are very excited. They wanted to know, 'Are they going to do it for us?'"

Son Darwin Akwo, 11, is a sixth-grader at Coolidge Elementary School in Ferndale, and daughter Marilyn Akwo, 17, is a junior at Ferndale High School. Darwin has a bank account with \$200 and now is trying to save more so he will have more than his younger sister.

The Michigan program is the largest of 12 such programs across the nation and serves as the center of research. The program is funded by a grant from CFED, a nonprofit organization that expands economic opportunity, and is made possible with support from private foundations, including the Ford Foundation, with local support from the W.K. Kellogg Foundation for the SEED initiative.