

KPBS News

New program teaches foster kids money management

Kenny Goldberg

KPBS SAN DIEGO (2005-06-29) When it comes to learning about how to handle money, many young people have their parents to teach them. But what about kids who don't have any parents? That's the situation most foster children find themselves in.

A new program called Opportunity Passport is aimed at teaching foster kids some of the basics about savings and credit. Designers of the program hope it will give young people some financial tools to help them as they age out of the foster care system. KPBS Reporter Kenny Goldberg has the story.

In a small meeting room in Linda Vista, some 13 foster youth are taking their first steps towards financial literacy.

Foster Kids: "I'm Candy, and I'm here to pretty much help me save, because I have trouble saving, and then I can buy what I need. My name is Andreas, and I'm saving to get a car to go to college and just to open up a savings account, I guess.

For the next few hours, these young people will learn about saving and investing, and how to set financial goals.

Former foster youth Rebecca Leech is teaching today's course.

She tells the audience upon completion, they'll each get a \$100 check to open up a savings account. And Leech says that's not all.

Rebecca Leech: "And for every dollar that you guys save towards your asset that you're gonna define today, you're gonna get a dollar for dollar match, up to a thousand dollars a year for three years. So potentially you could get, if you save \$3,000 dollars over three years, you could get \$3,000 dollars.

The Opportunity Passport program involves a total of ten hours of financial literacy training. After that, youth are taken to a bank and walked through the process of opening a checking and savings account.

Later on, participants also get help with building a resume and getting an internship.

But it all begins with learning how to handle money.

Rebecca Leech says to be sure, all teens could use some lessons in money management. But she says it's crucial for foster youth.

Leech: "A large portion of youth in care have no exposure to handling money, or ever seeing a bank, or going into a bank, or opening up an account, or even being able to develop a budget or anything like that. So when they turn 18 they have a lot tougher time, trying to be able to act like an adult, and spend money like an adult.

And Leech says at 18, foster youth are out on their own without the kind of support most kids take for granted.

Leech: "The majority of foster kids don't have any family and the truth is when they get in debt and they need money, they can't call home for mommy and daddy to bail them out of a jam or to help them out, or teach them what credit is. And so I think it's especially important that they get this training right before they emancipate.

The program is funded by the Jim Casey Youth Opportunities Initiative. That's a national foundation dedicated to helping young people make a smooth transition out of the foster care system. The program is being coordinated locally by the non-profit group Access.

The financial training is offered at the Access site in Linda Vista. And at San Pasqual Academy, the region's only residential high school for foster youth.

Instructor Brett Litoff teaches the San Pasqual class.

Brett Litoff: "Why do you save? Look on page two. Saving is putting money aside for future needs and future goals. Anybody ever save for anything here? Some of the kids they ask questions, they want to know, why is credit so important, why is savings so important? And I show them. I show them on a graph. And I show them how, if you have a little bit tucked away and you have a minor emergency here you're able to cover it."

One of Litoff's students is 19-year-old Terry Harris. She's been in foster care her entire life. Now she goes to college back East, and lives at San Pasqual during the summer.

Harris says growing up in a foster home, she didn't know how to handle money.

Terry Harris: "Let's just say I never had any. I was always poor and broke, didn't know how to save. When I did have money I would splurge, cause you know it didn't come often.

Harris says the Opportunity Passport program has helped her learn about how to plan for her future. She's set a goal of buying a car within three years. If she takes full advantage of the matching program, Harris will have \$6,000 to

Harris: "I've never been able to buy anything big or expensive or nice for myself. So it's a good feeling to know that what I'm saving is going to be matched and I have a goal that I'm actually happy to have and want to keep.

Rebecca Leech says the program is all about trying to help foster youth have better outcomes.

Leech: "Because the statistics for foster youth emancipating are just horrible. 50 percent are homeless, something like a third are incarcerated. So we're really hoping to change that around, and allow these young people to become empowered and leaders and positive community members, who know how to save money and become self-sufficient adults.

Fifty local foster youth have taken part in the Opportunity Passport program since it was introduced here in March. The program will fund up to 75 kids a year in San Diego. Kenny Goldberg, KPBS News.

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