

# **The Assets Alliance**

Advancing Assets, Opening Opportunities

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## **Creating Effective and Engaging Financial Education for Youth Transitioning Out of Foster Care**

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The views expressed in this white paper are those of the authors, not the Assets Alliance. For clarification or additional information, please contact the authors.

### **Abstract**

In recent years, youth transitioning out of foster care have been recognized as a unique population with distinct barriers and needs. Like many young people, youth transitioning out of foster care need financial education to become financially responsible adults. However, financial education is not only critical to their success but also to their survival, as they have few safety nets or support systems on which to fall back. This paper will address how to create engaging and effective financial education for this population, enabling them to lead financially-stable lives. In particular, the focus will not be on financial education content but the principles and methods that facilitate learning and skill development for youth transitioning out of foster care. The paper will include suggested financial education topics for this population, as well as a financial education planning template to help facilitators take principles, methods and barriers into consideration in future workshop development.

### **Problem**

Youth transitioning out of or aging out of foster care represent a unique population with distinct barriers and needs. These youth are some of the most vulnerable as they enter adulthood with limited or no support from family and are faced with the demands of supporting themselves. They often find themselves without stable housing, sufficient income or emotional support.

As this problem has been increasingly recognized, there have been significant strides made in developing programs and resources that support youth's transition out of foster care. While these programs are helpful, the success of these young people ultimately relies on their own abilities to navigate the world around them. Thus, programs working with youth transitioning out of foster care should ensure that youth learn necessary life skills. One of the most important competencies that these youth can develop is financial expertise. Financial education and empowerment are critical, not only for their success but for their survival.

Despite the recognition that financial education is critical to this population's survival, many programs do not utilize materials or techniques tailored for their specific, varied needs. While

the content of financial education is important (See Tools for Practice: Suggested Financial Education Topics/Modules for Transitioning Youth), the methods used to deliver the content are just as important. If the methods of delivery aren't engaging and effective, the information will not "stick."

## **Solutions to the Problem**

One of the most important concepts for practitioners developing financial education to consider is "who" is in the classroom. In the case of youth transitioning out of foster care, practitioners must be able to address how stressful experiences such as homelessness, abuse, pregnancy and addiction have affected these youth. These experiences will influence not only how these young people learn and behave in the classroom but also what information is relevant for them. The solutions for delivering effective and engaging financial education to this population in the classroom are divided into three parts: 1) basic principles of learning, 2) delivery methods and techniques, and 3) potential barriers.

### **Basic Principle of Learning**

There are *basic principles of learning* that practitioners should not overlook when developing financial education curricula. These principles include visual, verbal and participatory learning. While visual and verbal learning principles are typically addressed, participatory learning is often overlooked. Participatory principles include drawing on the population's experiences as well as asking them to practice or apply the concept taught. By incorporating all these principles, practitioners will address the varied learning styles of participants while reinforcing the information. Below is an example of these principles in action.

### **Delivery Methods and Techniques**

#### **Applying Basic Principles of Learning**

**Topic:** How to write a check

#### **Description of Activity**

*Participatory:* Facilitator asks participants about experiences with checks. Facilitator asks participants to highlight the key components of a check.

*Verbal:* Facilitator orally reviews the key components of a check.

*Visual:* At the same time, an image of a check, highlighting the key components, is displayed on a poster or by projector AND the participants have a handout with the same information.

*Participatory:* After the facilitator has reviewed the components of the check, participants practice writing a sample check based on a given scenario. Participants complete a sample check and review their work with a partner.

To effectively engage youth transitioning out of foster care, it is especially important to consider techniques as well as delivery methods that support youth within the classroom environment.

A foster youth financial education facilitator must be a jack of all trades. The facilitator must possess an empathetic delivery style that engages the students while considering their need for: 1) safety, 2) supportive relationships, 3) skill building, and 4) participation in the classroom.

- **Safety:** The facilitator should strive to create a safe physical and emotional environment. Many times foster youth are dealing with exterior issues and matters that can be deterrents to learning. The facilitator should strive to create a focused and safe environment. The facilitator should provide structure while allowing participants to create a productive atmosphere by helping to set ground rules that empower, encourage, and invite participation. Ground rules should create boundaries but also promote and develop a group dynamic. Nurturing the group dynamic will build trust among the participants as a cohort as well as build a supportive relationship with the facilitator. Creating a safe environment will create a learning environment.
- **Supportive Relationships:** In participating in the development of the classroom atmosphere through the setting of ground rules, participants will begin to have a shared experience. Participants will begin to relate through class activities and scenarios. The facilitator should encourage healthy and supportive relationships among participants, other peers and adults, and should remember to exercise empathy and sensitivity during all activities. The facilitator should tie the importance of creating healthy and supportive relationships to financial education skills. Groups and dyads should be used to allow participants to work together and collectively make decisions.
- **Skill building:** As participants work through the financial education curriculum, the facilitator should be mindful to use scenarios that mirror youths' real life. Real life activities specific to the lesson will allow participants to use existing skills as well as build upon their knowledge base. Skill building will equip participants to make better decision and ultimately become productive citizens.
- **Participation:** Through the use of all the above-mentioned youth-specific delivery methods, facilitators will increase participant participation. As the facilitator shows his/her commitment to guide the process, the participants will show their commitment to engage. The facilitator should continue to make each session pertinent to the participants' experiences and should expect questions that relate to the participants' lives. For example, some youth transitioning out of foster care may have credit issues before turning 18; some youth may have loaned money to family members; some youth may have savings, yet no plan; etc.

**Youth-Specific Methods:  
Creating Safety with  
Ground Rules**

**Topic:** Setting the Atmosphere

**Description of Activity**

*Participatory:* Facilitator picks a word that sets the tone for the class (Respect, Trust, Empathy, Education, Money, Rich, etc.). Using the letters in the word, have youth provide words that they want exhibited in the class as their ground rules.

T -- teach, truth, be timely  
R -- respect, real, raise your hand, read, remember to do HW  
U -- understanding, unity, united  
S -- safe, save money, silence, supportive, security, share  
T -- talk clearly, try hard

*Verbal:* Facilitator and participants orally review each word and agree to uphold them in all aspects of the class.

*Visual:* Post the ground rules in a location that is central. The central location will hold the facilitator and participants accountable for keeping the atmosphere safe.

## Potential Barriers

Despite efforts to create an effective and engaging learning environment for youth transitioning out of foster care, the facilitator must be aware of potential barriers that might arise. Some typical barriers that facilitators might encounter that influence the classroom environment and dynamics include:

- **Education:** Youth transitioning out of foster care might not have fully-developed basic education skills. Reading comprehension and basic math might be below expected levels and the facilitators must be prepared to adjust activities used in the classroom for different education levels.
- **Mental and Physical Health:** Youth might have nutrition or addiction challenges that limit their ability to focus or participate in the classroom.
- **Emotional and Behavioral:** Having grown up in conditions without significant support, youth might have emotional and behavioral barriers that inhibit their ability to participate and engage in the classroom. This might reveal itself as a fear of success or failure, difficulty trusting, challenges breaking out of bad habits, and having to re-learn material that has already been taught.
- **Basic Needs:** Youth transitioning out of foster care might have challenges addressing basic needs such as lacking housing during breaks/holidays, living in unstable housing such as a shelter or couch surfing, lacking basic identification such as Social Security number and birth certificate, challenges with transportation, and/or limited or no cash flow.
- **Commitments:** Youth might have other life responsibilities such as children or involvement in other programs that limit their ability to engage in the classroom.

Awareness of these potential barriers is important not only when designing activities but also when youth are in the learning environment. Understanding that a youth might show up late or come with their child can help the facilitator create an environment that can accommodate and adjust for these potential barriers

## Conclusion

It is important to recognize that transitioning foster care youth are entering a life-changing situation where survival tools and resources are critical. By taking a holistic and comprehensive approach, incorporating basic principles of learning, utilizing appropriate delivery methods and techniques, and recognizing potential barriers to learning, we will not only create engaging and effective financial education but also ensure preparedness and success in transition for foster care youth.

## For More Information on This Topic

### Alameda County Foster Youth Alliance

A coalition of youth, service providers, and community organizations, Foster Youth Alliance is dedicated to empowering foster youth as they transition to adulthood. FYA promotes a seamless system of services in Alameda County, California, through maximum coordination, strong advocacy and strategic resource development.

<http://acfya.com/index.htm>

### Alameda Independent Living Skills Program

A program supporting youth transitioning from the foster care or juvenile justice system to independent living. This site provides information for current, former, and prospective ILSP

students, child welfare workers, probation officers, foster parents and other caregivers, advocates, and supporters of youth in foster care or on probation.

<http://www.alamedacountyilsp.org/>

### **California Connected by 25: A California Family-to-Family Strategy**

California Connected by 25 Initiative (CC25I) is a collaborative effort of five foundations assisting public child welfare agencies and their communities to build comprehensive transition-aged foster youth supports and services for youth 14 through 24. Through comprehensive assessment, planning and practice innovations developed with youth, caregivers, and other partners, effective strategies are being developed that can be spread to improve transition practice and outcomes statewide.

<http://www.f2f.ca.gov/California25.htm>

### **California Youth Connection**

California Youth Connection (CYC) is guided, focused and driven by current and former foster youth with the assistance of other committed community members. CYC promotes the participation of foster youth in policy development and legislative change to improve the foster care system, and strives to improve social work practice and child welfare policy. CYC chapters in counties throughout the state identify local issues and use grassroots and community organizing to create change.

<http://www.calyouthconn.org/site/cyc/>

### **Children's Defense Fund**

The Children's Defense Fund's Leave No Child Behind® mission is to ensure every child a Healthy Start, a Head Start, a Fair Start, a Safe Start, and a Moral Start in life and successful passage to adulthood with the help of caring families and communities. CDF provides a strong, effective voice for all the children of America who cannot vote, lobby, or speak for themselves. They pay particular attention to the needs of poor and minority children and those with disabilities. CDF encourages preventive investment before children get sick or into trouble, drop out of school, or suffer family breakdown. CDF began in 1973 and is a private, nonprofit organization supported by foundation and corporate grants and individual donations. They have never taken government funds.

<http://www.childrensdefense.org/>

### **Connect for Kids**

Connect for Kids makes the best use of communications technologies, specifically the Internet, to give adults – parents, grandparents, guardians, educators, advocates, policymakers, elected officials and others – the tools and information they need to improve the lives of children, youth and families. The Connect for Kids online publication covers more than 30 topics ranging from arts to youth development, foster care to adoption, and welfare reform to oral health.

<http://www.connectforkids.org>

### **First Place for Youth**

The First Place for Youth is an Oakland-based nonprofit organization founded in 1998 to remedy the lack of services available to youth who are making the difficult transition from foster care to independent living. First Place targets its services to 16 to 23 year-olds who are preparing to age out of foster care or who have recently aged out of care. It is the mission of First Place to support youth in their transition from foster care to successful adulthood by promoting choices and strengthening individual and community resources. They fulfill this mission through three programs: First Steps, First Foundation and First Place.

<http://firstplaceforyouth.org/>

### **Jim Casey Youth Opportunities Initiative**

The Jim Casey Youth Opportunities Initiative is a national foundation whose mission is to help youth in foster care make successful transitions to adulthood. The Initiative brings together the people and resources needed to help youth make the connections they need to education, employment, health care, housing, and supportive personal and community relationships. As a grant-making foundation, the Initiative supports successful community-based efforts that create opportunities and build assets for youth leaving foster care through grants, technical assistance, and coalition building with multiple stakeholders.

<http://www.jimcaseyyouth.org/>

### **Mockingbird Society**

The Mockingbird Society strives toward the vision of a world in which the intrinsic value of our most marginalized children will be both recognized and celebrated. As an organization, they are committed to advocacy, public education and system reform on behalf of the thousands of children and adolescents involved in the Child Welfare System.

<http://www.mockingbirdsociety.org/>

### **National Foster Care Coalition**

As a unique coalition of national organizations and foster care alumni, the National Foster Care Coalition is dedicated to raising public awareness, coordinating advocacy efforts and building diverse alliances that strengthen foster care and community supports to ensure children, youth and families reach their full potential.

<http://www.natl-fostercare.org/>

### **San Francisco Independent Living Skills Program**

The San Francisco Independent Living Skills Program supports current and former foster youth to meet life's challenges and work towards getting what they need to become self-sufficient, successful adults.

<http://www.sfilsp.org/home.html>

### **Tools for Practice**

Suggested Financial Education Topics/Modules for Transitioning Youth  
Workshop Planning Template

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## **SUGGESTED FINANCIAL EDUCATION TOPICS/MODULES FOR TRANSITIONING YOUTH**

### **Class 1 – Creating the Life that You Want**

Purpose: Examine your spending and saving habits and discuss how they affect your potential to achieve your future goals.

Objectives:

- Examine how you use and spend money currently.
- Identify some of your future goals that will cost money.
- Explore how to prioritize your spending to plan for future goals.

### **Class 2 - Controlling the Money You Spend**

Purpose: Learn basic strategies to manage your spending and encourage saving.

Objectives:

- Set specific and realistic financial goals.
- Create a monthly budget.
- Examine the cost of unnecessary spending over time.

### **Class 3 – Banking on Your Future**

Purpose: Learn how to open and maintain a bank account with a financial institution.

Objectives:

- Understand how banks and credit unions operate.
- Know how to use and choose a checking and savings account and how to avoid common fees.
- Write a check and balance a checkbook.

### **Class 4 – Credit Matters**

Purpose: Learn how to build and maintain good credit.

Objectives:

- Know how to responsibly use a credit card.
- Understand how mistakes damage your credit rating.
- Understand the costs associated with having bad credit.

### **Class 5 – Living On Your Own**

Purpose: Learn about the different financial responsibilities that you will have once you are on your own and how to effectively manage them.

Objectives:

- Identify the different expenses that you will have once living on your own.
- Understand how to pay monthly bills and live within your income.
- Understand how to read a pay stub and understand gross vs. net income.
- Understand the importance of paying taxes.

**WORKSHOP PLANNING TEMPLATE**

**WORKSHOP TITLE:**

**FACILITATOR(S):**

**DATE/TIME:**

**MATERIALS:**

**OBJECTIVES: (What skill will participants gain?)**

**KEY ACTIVITIES: (What activities will you use to teach skill? How will you relate it to their current or future situation?)**

**ISSUES: (What are potential issues/barriers that you might encounter when teaching this topic? How will you address the issue?)**

**EVALUATION: (How will you evaluate success of the workshop?)**