

Preliminary Financial Capability In Youth Workforce Programs

33 youth workforce programs completed our survey
Together, these programs served over 11,000 youth this summer

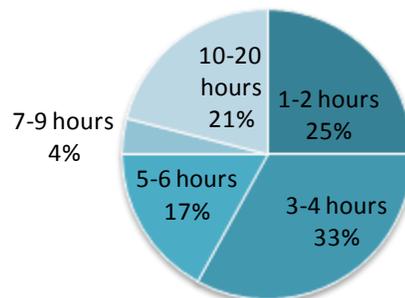
Summary:

During summer 2016 Alameda County Community Asset Network, AC CAN, surveyed 33 youth workforce programs about their use of financial education and financial products. AC CAN found that workforce programs are eager to provide financial education to youth, and most have already started to do so. Many programs want to provide education on additional topics, but need more support to do so.

The majority of programs use their own staff to teach financial education and get their materials from a variety of sources including developing them internally, from other programs, online and computer programs, or a mixture of all three. Programs identified lack of content knowledge as the most common barrier to providing education.

Some of the programs already connect youth to financial products but there are still many barriers for youth to open accounts. The main ones are access barriers (no government ID, unable to get an account in their own name, no financial institutions in neighborhoods) and experience barriers (negative experiences of family and community, not feeling welcome or comfortable in financial institutions).

Hours of Financial Education



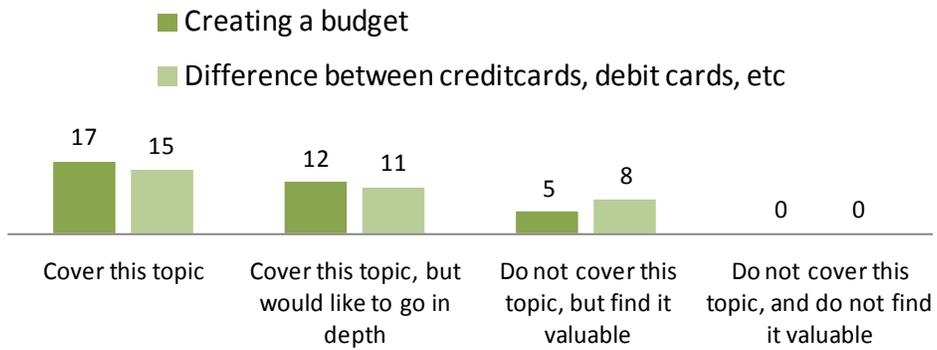
85 percent of programs surveyed pay youth with paper checks, 34 percent use direct deposit,* and most are located in Oakland.

* Participants were allowed to choose as many answers as applied

Programs Already Include Some Financial Education

Most youth workforce programs indicated they already provide some form of financial education to their participants. This tends to focus on basic financial management tools like budgeting and bank accounts.

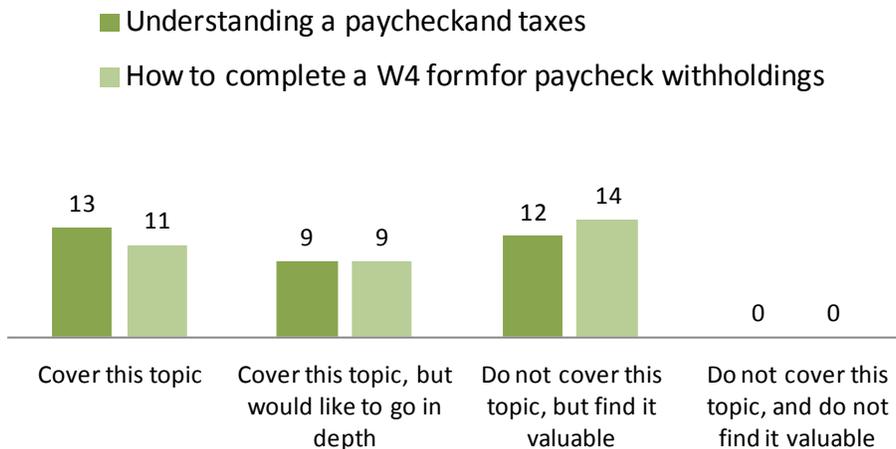
Basic Budgeting and Bank Products



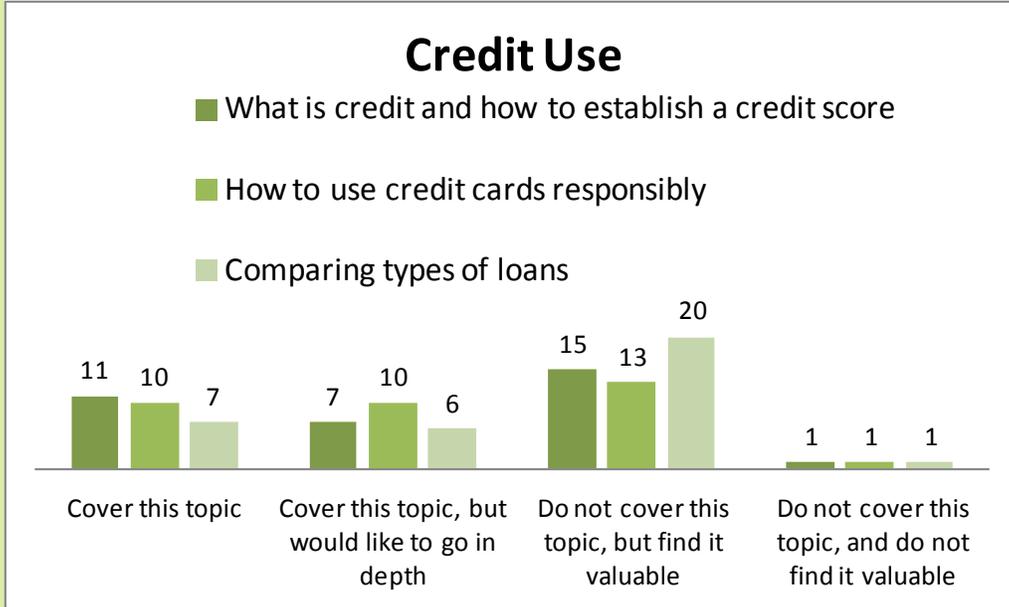
Programs Identified Topics to Cover in More Depth

Youth entering the world of work need to understand a paycheck and take the correct withholdings. While about one-third of programs already teach youth to understand paychecks and complete W4 forms, more than one in three find the topic valuable but do not cover it. 27 percent of programs cover the topic but would like to go more in depth.

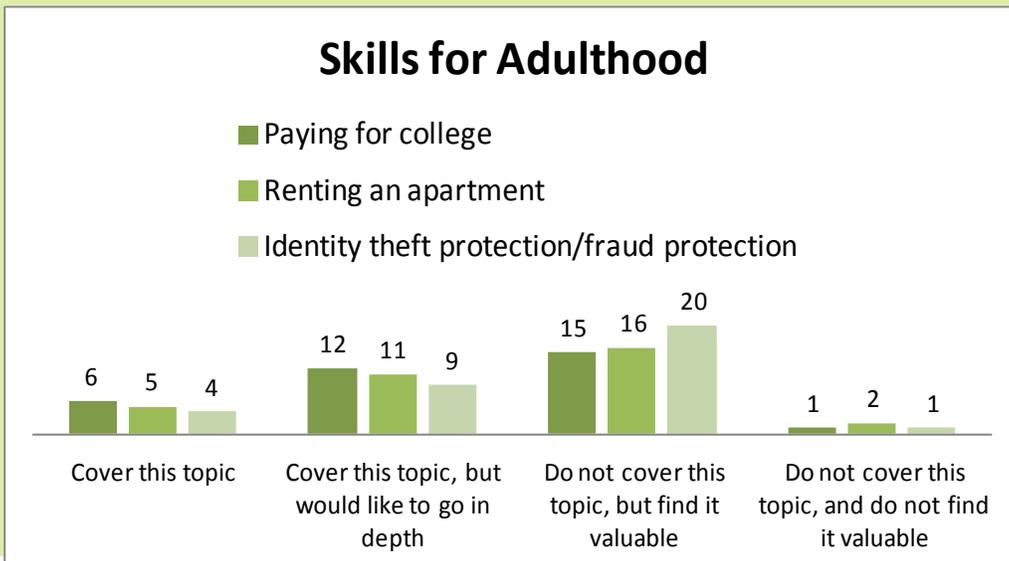
Paychecks and Taxes



Fewer programs are teaching about building and using credit, with one in three covering the topic fully, one in five wanting to go into more depth, and nearly half of programs finding the topic valuable but not teaching it. The interest shown indicates an opportunity for more support in this content area.

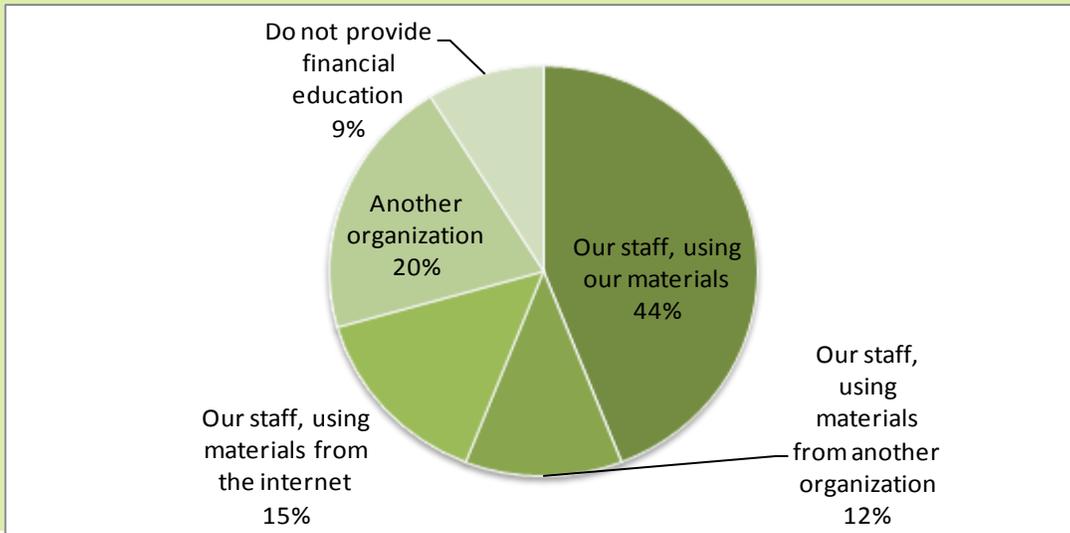


Additional skills which help young people with the transition to adulthood, such as learning how to pay for college, rent an apartment, and protect themselves from financial fraud, are taught much less frequently. Fewer than one in five programs cover them, one in three want to go more in depth, and half find the topics valuable for youth, but do not cover them.

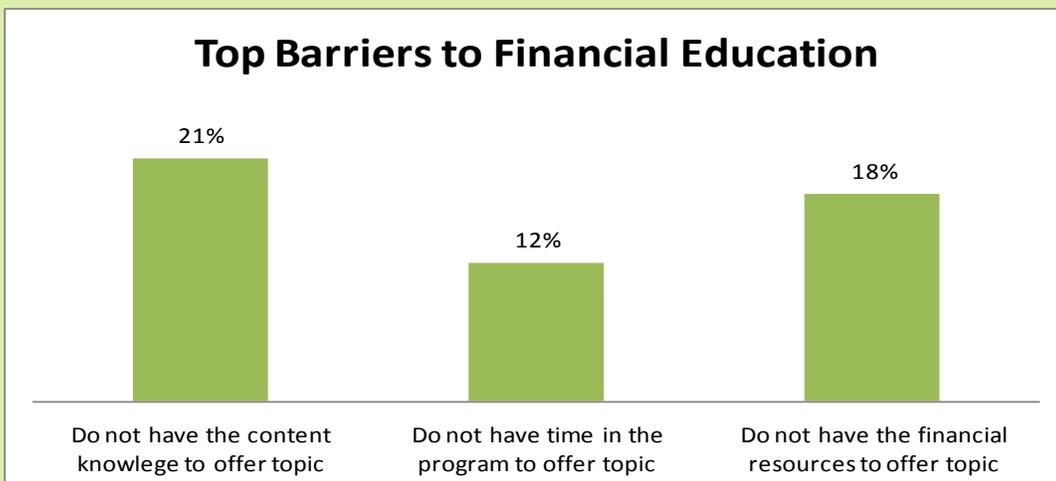


Who Teaches Financial Education

Seventy one percent of programs use their own staff to provide financial education, sometimes using curriculum they developed in their organization, sometimes using curriculum or programs from other sources, and sometimes using a hybrid of the two. Twenty percent of programs bring in another organization to present material, and nine percent indicated that they do not provide financial education.



Programs that do not provide any financial education identified lack of content knowledge, lack of financial resources, and lack of program time as the top reasons for not doing so.* These responses come from only 9 of the programs, with the rest indicating that they provide financial education. This offers a preliminary understanding of why programs which provide some financial education might not cover the topics which they identify as important but do not cover.



* Participants were allowed to choose as many answers as applied

Integration of Financial Products and Services

Three out of four youth workforce programs indicate that they facilitate youth accessing savings and/or checking accounts.* The most common ways to provide access are through inviting a financial services provider to come to the program and open accounts, refer youth to a financial institution, or through one-on-one case management.*

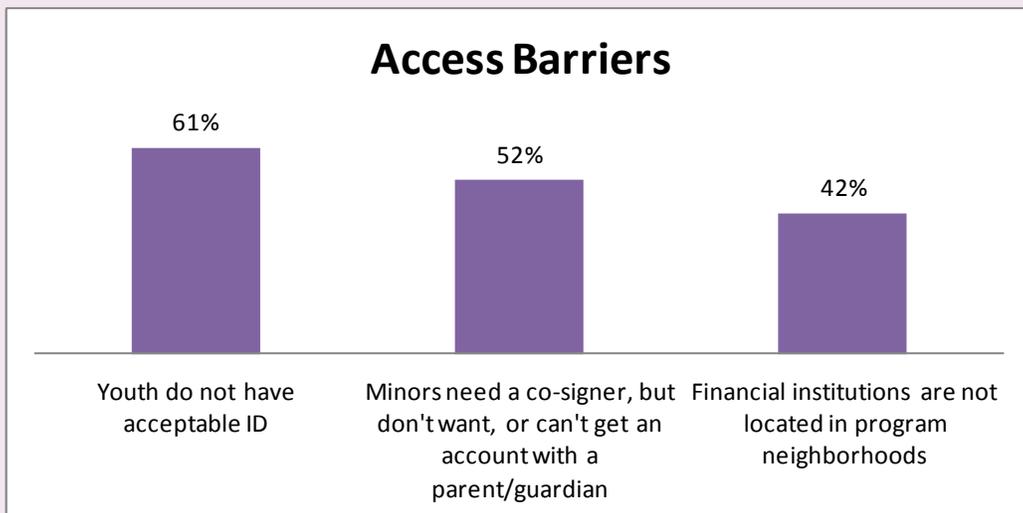
Ways to Access Financial Accounts



Barriers to Accessing Financial Products

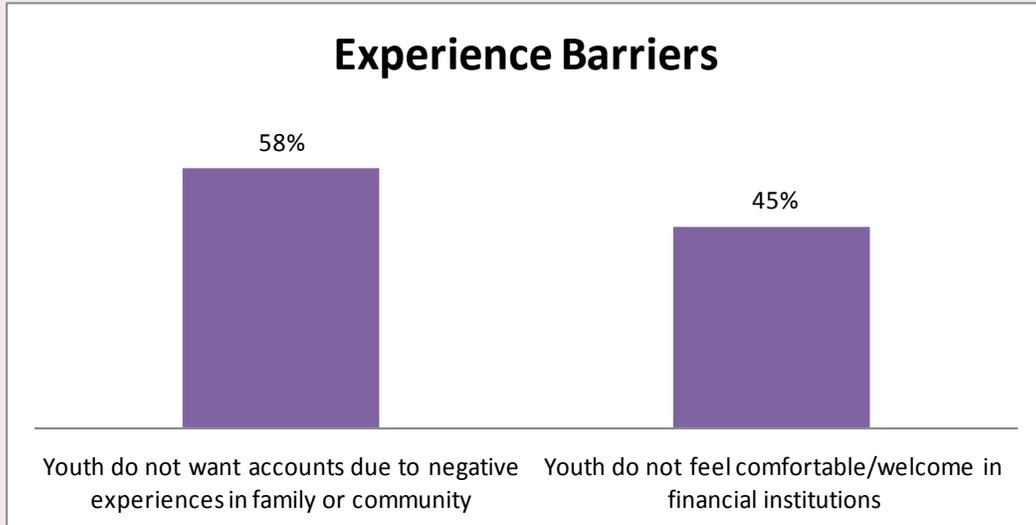
The most frequent challenges to connecting with financial institutions are broken into two overarching categories: access barriers and experience barriers. Access barriers included lack of IDs that are accepted by financial institutions, not being able to ask parents to cosign on minor accounts, and not being able to access financial institutions in locations which youth could reach.*

Access Barriers



* Participants were allowed to choose as many answers as applied

Experience barriers included youth not wanting to open financial accounts because they were familiar with stories from family and community members of negative experiences using financial institutions. Some providers also reported youth feeling uncomfortable or unwelcome in financial institutions so not wanting to open financial accounts there.*



* Participants were allowed to choose as many answers as applied

Key Questions for Workforce Programs:

- What are the main reasons you do not already cover financial education topics which you indicated that you find valuable?
- Would you prefer to build your own staff capacity to deliver financial education topics, or have an external program deliver training?
- Would you be willing to set aside time for staff training on financial education, if training were available? How much training time would you make available?
- How satisfied are you with the financial education curriculum/materials which you developed internally, found on the internet, or received from other programs? Are you interested in additional curriculum on specific topics?
- Have you needed to modify financial education curriculum/materials to meet the needs of youth in your program? What are the needs which are not being met (Language? Documentation status? Reading level? Math level? Etc)
- Do you have funding in your budgets to pay for financial education? How have you paid for it in the past? What would it cost to deliver the ideal financial education component that fits your program?
- If you have used these or other methods of connecting youth to financial products, what proportion of program youth have opened an account/product?
- What strategies have been successful in getting around barriers to connecting youth to financial products?
- What are the benefits of linking youth to financial products?