

## **Teens learn to handle money in class**

Thursday, August 02, 2007

By Karamagi Rujumba, Pittsburgh Post-Gazette

At 13, Jacquea Olday was one of a few teens in her Garfield neighborhood with a bank account. Now 18, she still recalls her father's words of caution: "Keep a steady balance."

A Peabody High School graduate, Ms. Olday still maintains the PNC account she opened, but money, she said, has since been a fluid concept to her.

"Sometimes I spend it like it's burning a hole in my pocket. I can have \$200 and it will be gone in one day. And then when it comes to buying a bus pass, I am broke," said Ms. Olday, a counselor at an after-school program in Garfield.

But Ms. Olday, who will soon start shopping for a car and insurance and applying to colleges, said she is getting better at handling her money and has a better understanding of how credit works because of a money managing class she took last year.

"I was surprised to learn how much they charge you in APR when you use a credit card," she said of the class called My Money, My Life. It was created and is offered by Neighborhood Housing Services Inc., in partnership with nine area banks and Mellon Financial Corp.

Launched in 2005, the class rewards students who complete it with \$100 start-up savings accounts with participating banks. It was designed to give youth from low-income families in Pittsburgh and surrounding communities financial lessons on how to budget, save money and avoid financial traps, said Emily Keebler, program manager.

So far, My Money, My Life classes have been held in a number of Pittsburgh neighborhoods, including the Hill District, Mount Oliver and Spring Garden, and in the surrounding communities of Braddock, Homestead, Coraopolis and McKees Rocks, she said. It is estimated that the program will cost about \$650,000 over a five-year period.

Last Thursday, Ms. Keebler and her fellow instructor, Janice Myers, were joined by Jerry Gooding, vice president of Sewickley Savings Bank, to teach an advanced My Money, My Life class in a small classroom of Neighborhood Housing Services' downtown office.

Held every Thursday, the six-week course will end tonight.

It has dealt with budgeting, applying for post-secondary education, loans, paychecks and deductions, paying student loans and getting a small business loan.

The lesson plan last Thursday included discussions on how to borrow for college; the advantages and disadvantages of loan consolidation; how to save up to move out of your parents' home or buy a house; how to write a budget; and how to read a credit report.

"The good thing is that each class builds on the previous class," Ms. Keebler said, noting that the advanced class gives instructors a chance to reinforce some of the key aspects of what they want the students to take away from the class.

"We get a chance to repeat why check-cashing places are not a good idea or what kind of credit they should consider," she said. Most of all, she added, "the advanced class is where we really begin to give them a solid grounding in financial matters. ... They begin to see the importance of what they are learning."

For Timiya Jackson, 17, a senior at Oliver High School, the classes are more than just a financial education. "They are really teaching us about how to handle the transition from being a teenager to an adult," she said.

A Shadyside resident, she took her first My Money, My Life, course in spring 2006 and since then, she said, "I am using everything I learned in my life. I just had somebody help me file my first income tax returns this year and I can now differentiate between a 1040EZ and a 1040 because of this class."

One of the things she is budgeting and saving for, she said, is the nonrefundable deposit that she will have to pay when she starts college at the University of Pittsburgh, Duquesne University, the University of Chicago or New York University.

Ms. Olday, too, is budgeting and saving for her dream of attending the historically black college, Southern University and A & M College in Baton Rouge, next year.

"I don't have a good credit history because I have no credit history," she said. "It might be hard getting a good loan but one thing I have learned is that I'm going to look at all the fine print."

During Thursday's class, Mr. Gooding, acted out the role he usually plays in real life -- granting and denying loan applications.

The students, who were assigned character roles for people in varying financial situations, compiled credit reports based on their character's history.

On this night, Mr. Gooding granted loans to all of the applicants, "but most times, things are not this easy," he said.

Besides Sewickley Savings and Mellon Financial Corp., other institutions in partnership with Neighborhood Housing Services include Dwelling House Saving & Loan, ESB Bank, PNC, First Commonwealth, Huntington Bank, Iron and Glass Bank, National City and Northwest Savings Bank.

"We are very pleased with this program," Mr. Gooding said. "It is clear that these kids now grasp the importance of managing your finances and they're going to need it."

First published at PG NOW on August 2, 2007 at 1:10 pm

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