

**Article Link**

<http://ctmirror.org/loot-camp-tries-give-risk-students-financial-smarts/>

## Loot Camp' tries to give at-risk students financial smarts

A joint initiative between a local New Haven bank and IPA, with the help of IPA's partner student advocacy group Students for Proven Impact, has been generating some buzz in the media. The "Loot Camp", a financial training program for at-risk students, is the project of Lynn Smith, Senior Vice President at Start Community Bank, "a full-service bank [that] also works to improve financial access in New Haven by lending to local businesses, homebuyers and non-profits while offering financial education and support to low-income or at-risk individuals."

Highlights from the article:

...Last summer, Smith took her "Loot Camp" to the Youth@Work (Y@W) program, which offers part-time summer jobs to 14 to 21 year olds in New Haven who might face socio-economic and academic challenges. Now, with the help of a few Yale students and an international non-profit, she's trying something that's never been successfully done. She's trying to track whether or not financial education actually works.

The students Smith reaches out to, she said, may have never thought about a checking account, or may not know what credit means. "They have to learn things that many of us take for granted."

The core of her curriculum is saving, Smith said. "It's about knowing the difference between want and need--knowing what money really is," she said.

[...]

By the end of the summer, of the 167 students with accounts, 40 percent saved more than \$300. "We did use a little bit of behavioral economics," Smith said. They raffled off an iPad 2 for those who saved the most.

Then Smith saw a further opportunity -- to track effectiveness of those literacy classes and the account.

"We still don't know two years out, five years out, 20 years out, whether they have

better credit scores, whether they're better savers, or whether they borrow less money," she said.

Smith got in touch with Rebecca Rouse [Project Coordinator] at [Innovations for Poverty Action](#) in New Haven.

"As far as we're aware, there really aren't any rigorous quantitative evaluations that say 'Yes, financial education programs do lead to behavior change,'" Rouse said. "It's a really hard thing to evaluate."

[...]

START and IPA hope to conduct that kind of formal, long-term trial including a control group--kids with no savings account--and a treatment group--those who opt to go for the account.

"And then we track outcomes after time. Is the treatment group managing money better, do they accumulate more savings? Pay less in check cashing fees? Or is it the control group exactly same?" said Rouse.

Besides being featured in the CT Mirror, the upcoming evaluation was further covered in Your Public Media, a CT-based public media venture:

The goal is a 12-18 month trial starting next summer, tracking how students fare after Loot Camp with a savings account for beginners. [...] Smith hopes to have an initial, exploratory survey done before the Thanksgiving break.

Source: [CT Mirror](#) | [Your Public Media](#)

November 11, 2011