City of New York
Administration for Children's Services

Policy and Procedure
2016/01

Allowances and Financial Literacy Training for Youth in Juvenile Justice Placement

Approved By: Gladys Carrión, Esq. Commissioner	**Date Issued:** 3/9/2016	**Number of Pages:** 6	**Number of Attachments:** 1
Related Laws: N/A	**ACS Divisions/Provider Agencies:** Youth and Family Justice; non-secure and limited secure juvenile justice placement provider agencies	**Contact Office /Unit:** Sarah Bass Executive Director Residential Placement sarah.bass@acs.nyc.gov	
Supporting Regulations: 18 NYCRR §§ 430.12(k); 441.12	**Supporting Case Law:** N/A	**Bulletins & Directives:** 15-OCFS-ADM-13 Required Annual Credit Checks for Youth and Young Adults in Foster Care 14 Years of Age and Older	
Key Words: Limited secure placement; non-secure placement; LSP; NSP; youth; juvenile justice; placement; allowance; money; finances; financial literacy	**Related Policies:** N/A	**Supersedes:** N/A	

Related Forms:
Sample Allowance Record (Attachment A)

SUMMARY:
Every youth placed with the Administration for Children's Services (ACS) in a juvenile justice placement facility shall receive a regular monetary allowance and financial literacy training from his or her assigned provider agency. This applies to youth placed in both non-secure placement (NSP) and limited secure placement (LSP) juvenile justice facilities. While provider agencies have discretion to design their own allowance and financial literacy training programs, all programs shall comply with the requirements of this ACS policy. Furthermore, all agencies shall promote the goal of financial responsibility and independence.

SCOPE:
This policy applies to all NSP and LSP juvenile justice facilities having care and custody of youth placed with ACS pursuant to Article 3 of the Family Court Act.

I. Introduction

A. All youth placed with the Administration for Children's Services (ACS) on juvenile justice cases shall be entitled to a monetary allowance. This requirement applies to youth residing in both non-secure placement (NSP) and limited secure placement (LSP) juvenile justice facilities. Once a youth receives his or her allowance, it belongs solely to the youth and shall not be used to meet his or her basic needs.

B. Provider agencies shall have the discretion to offer additional financial incentives separate and apart from an allowance. Such financial incentives may include, but not be limited to, money for special program participation, for meeting established programmatic goals, and meeting certain behavioral expectations. Once a youth receives such money, the funds belong solely to the youth and shall not be used to meet his or her basic needs.

C. Provider agencies shall also educate youth in various topics of financial literacy. In doing so, ACS and provider agencies shall help promote financial responsibility and independence among youth in NSP and LSP. Topics that provider agencies must include in their financial literacy training program curricula include how to create and adhere to a budget, the importance of saving, and the role of credit cards and paying bills in establishing credit and minimizing debt.

D. Each provider agency must create internal policies for providing youth with regular allowances and financial literacy training that comply with the requirements of the New York State Office of Children and Family Services (OCFS) regulations and this policy. These policies shall cover such issues as the amount of money youth will receive as allowance, whether the provider agency will create savings accounts for youth, how the agency will disburse youth allowances, when youth can have access to their accumulated allowance, and how the agency will keep records of allowance transfers from agency accounts to youth accounts.

II. Youth Allowances

A. <u>Providing Youth with an Allowance</u>

1. Every youth placed with ACS on a juvenile delinquency case shall receive a regular allowance, appropriate to the age of the youth. This allowance shall not be used to meet the youth's basic needs.

2. Youth allowances, once accrued, belong solely to the youth. If a youth is transferred to the care of a different provider agency or is discharged from care, the remainder of the youth's allowance (i.e., whatever accumulated allowance funds the youth has not spent) shall be provided to the youth or to the person or

agency authorized to act as the custodian of such money, as may be appropriate.

3. Youth allowances shall not be tied in any way to a youth's academic performance, discipline, or participation in treatment programs.

4. Provider agencies shall have some discretion in determining the amount of allowance, but at minimum, each youth is entitled to <u>one (1) dollar per day</u> for each day the youth is a resident of the program.[1]

5. Provider agencies may allow youth to earn financial incentives as part of their financial literacy program, a behavior management program or for completing certain chores or projects as long as the financial incentives systems are clearly outlined, in writing, for all youth to understand.

6. Each provider shall establish and maintain an internal record of allowances and incentives accrued for each youth. The allowance record shall reflect a current balance of allowances and incentives maintained by the provider on the youth's behalf.

7. At least half the amount of any allowance and any other financial incentive accumulated by each youth shall remain in the youth's allowance record instead of being disbursed to the youth. The contents of the youth's allowance record will be provided to him or her at the time of program discharge (i.e., when a youth completes his or her court-ordered placement and will not return to the placement). If the youth is not being discharged to the community from the program, the undisbursed portion of their accumulated funds will be provided to the person or agency authorized to act as custodian of such money.

8. Providers may choose to vary allowance amounts based on age, but shall provide the same allowance to all youth of the same age in their care. For example, while an agency may provide 16-year-old youth in its care with more allowance than it provides to 13-year-old youth, it must provide all 16-year-old youth with the same allowance.

9. Allowance accruals shall be entered into a youth's allowance record on a regular and consistent basis as determined by the individual program. For example, agencies may choose to make allowances available once per week, once every two (2) weeks, or once per month. All youth in the same facility shall accrue their allowances on the same schedule.

10. The residential provider agency shall be responsible for youth allowance, including

[1] Youth shall accrue allowances when they are on authorized home visits or are hospitalized as long as they remain on the official census of the assigned provider agency.

if the youth is also involved in a child welfare case. The case planning agency (i.e., the foster care agency) is not responsible for paying the allowance.

B. <u>Youth Access to Their Allowance and Financial Incentives Monies</u>

1. Provider agencies shall design and implement a system for disbursement of monies from a youth's allowance record. Provider agencies shall set their own rules about when youth can have access to their funds.

2. Provider agency staff shall not disburse accrued money directly to any youth until the youth is either leaving the facility, being transported for a home visit or is actually ready to pay for a non-contraband, facility-approved item.

3. If a youth is provided money to make a purchase while in the presence of staff (e.g., during a planned outing), staff shall supervise the purchase to help answer any questions the youth might have, reinforce financial literacy concepts, and prevent the youth from purchasing anything considered to be contraband. Following the youth's purchase, staff shall record the transaction, with a purchase receipt, in appropriate agency allowance ledgers and return any unspent funds to the youth's allowance record.

4. When allowance and incentive money is not in use by the youth, the money shall be kept by the provider agency and documented in the youth's allowance record. Allowance and incentive money shall be kept separate from agency funds at all times.

C. <u>Record-Keeping Requirements</u>

1. Provider agencies, whenever possible, shall attempt to establish bank savings accounts for youth in their care by accompanying youth to the bank and helping them to open savings accounts.

2. Providers shall keep a written record of each youth's allowance and/or incentives, similar to the sample form attached to this policy as Attachment A. This written record shall include, at a minimum, the following information:

    a. The dates of every accrual of allowance and incentive money to a youth's allowance record and the amount of money provided at each transaction;

    b. The signature and title of the staff member who makes the transaction from the youth's allowance record;

    c. A receipt and record of each approved purchase made by a youth;

d. The dates of each occasion when a youth is physically provided with money from his or her allowance record, including if the youth receives some of his or her money upon leaving for a home visit or to purchase something while in the community, and the amount of money provided on each occasion;

e. A short description of the circumstances surrounding each occasion that youth are physically provided with any of their allowance money (e.g., “youth provided five (5) dollars when dropped off for home visit,” or “youth provided two (2) dollars to buy snack at museum”); and

f. The signature and title of the staff member who provided the youth with his or her money.

3. In addition to the recording requirements above, each time a youth either receives a routine transaction involving money going into his or her allowance record, or physically receives cash from his or her allowance record for a home visit or other legitimate purpose, the youth must sign his or her written allowance record.

III. Financial Literacy Training

A. Provider agencies shall offer financial literacy training to the youth in their care. Provider agencies have discretion to design their own programs, but all programs must seek to encourage and empower youth to value and strive toward financial independence. Provider agencies can choose to design their financial literacy training programs by planning lectures and interactive discussion groups, using workbooks, and/or showing relevant educational films.

B. Provider agencies shall encourage each youth to establish a relationship with a community bank and open a savings account whenever practicable.

C. While each provider agency’s financial literacy training program may be different in design, all programs shall include, but not be limited to, training on the following topics:

1. Financial literacy: What this means to youth;
2. Access to information on financial management;
3. Understanding money in our society;
4. Practicing money management: Saving, spending, budgeting, investing, and debt;
5. Establishing and protecting credit: Paying bills on time, the role of credit cards, and the role of credit scores; and
6. Strategies for minimizing debt.

D. Provider agency staff shall assist all youth over the age of 14 in obtaining a copy of their credit report from each of the three (3) credit reporting agencies each year until discharged from care. Staff shall assist youth in interpreting and resolving any inaccuracies in the report.[2]

E. Websites for Youth Financial Literacy Training

1. USMINT.org
2. Investopedia.com
3. FDIC.gov
4. Themint.org
5. Cuna.org
6. Nefe.org
7. Bankit.com
8. Mymoney.gov
9. Jumpstart.org
10. Creativewealth.net
11. Practicalmoneyskills.com
12. 360financialliteracy.org
13. Nea.org (National Education Association)

[2] See 18 NYCRR 430.12(k) and 15-OCFS-ADM-13.

Attachment A

Sample Allowance Record

Name of Youth: ________________________
Date of Placement: ______________
Agency/Facility: ________________________

Date of Account Activity	**Description of Account Activity** **(i.e., regular allowance or withdrawal of allowance money for home visit)**	**Allowance Amount**	**Amount of Withdrawal**	**Balance**	**Signature of Staff Member**	**Signature of Youth**
1/1/2015	Weekly allowance	$7.00	----	$7.00		
1/8/2015	Weekly allowance	$7.00	----	$14.00		
1/15/2015	Weekly allowance	$7.00	----	$21.00		
1/17/2015	Money provided to youth to buy takeout food on weekend	----	$7.00	$14.00		
1/22/2015	Weekly allowance	$7.00	----	$21.00		
1/25/2015	Money provided to youth for home visit	----	$6.00	$15.00		
1/29/2015	Weekly allowance	$7.00	----	$22.00		