



## Saving for the future, a dollar at a time

Tess Vigeland stops by the Lamp Community, a homeless shelter on Skid Row in Los Angeles, for a money management class that teaches its clients how to save for a better future, even from incomes between \$200 to \$900 a month.

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### TEXT OF STORY

**Tess Vigeland:** One of the most common questions we get from you, dear listener, is how on earth are you supposed to save money each month when everything you earn is going toward bills. The answer, of course, is usually all about choices. Take a hard look at your spending habits, make savings a priority.

Think you can't do it? Are you sure?

The students in Renee Wyatt's money management class are learning how, and everything you're about to hear should sound very, very familiar.

**RENEE WYATT:** This month's topic is budgets, financial goals and tracking your spending. But before we get started let's everybody go around and introduce yourself and say what you want to get out of this class for this month.

**STEPHANIE:** My name is Stephanie, and I'd like to learn how to budget.

**BRIAN:** Hi, my name is Brian, and what I would like to get out of this class is how to make the most out of my money.

**ALAN:** My name is Alan...

As they went around the room, the refrain was one we all can recognize. I want to know where my money is going. I want to save more. Gosh, sounds like our listener call-in from five minutes ago.

**WYATT:** The most important part of budgeting is tracking your money. If you take out your flyer and turn to the first part of it, we're gonna talk about where does your money go. So, how many are tired of living from paycheck to paycheck?

All 15 hands went up. But before you think this is another story about a money management class, there's a twist here. These people are being asked to save, even though their income totals somewhere between \$200 and \$900 a month. The students in this classroom are also clients here at Lamp Community, a homeless shelter on Skid Row in Los Angeles.

**SHANNON MURRAY:** It's pretty amazing how our folks do get by, and do pay for all the things that they need to pay for on that income. They're survivors.

Shannon Murray is the shelter's acting executive director.

**MURRAY:** We found that money management really helps in providing additional stability to people that are getting off the street and getting into their own apartments.

Lamp's mission is to transition homeless men and women, most of whom are also dealing with serious mental illness, into permanent housing.

That means that clients like 34-year-old Tiffany have to learn how to allocate a portion of their Social Security and disability checks for expenses.

**TIFFANY:** Well, I came to class because I'm budgeting now since I got my own place and dealing with a lot of things. I'm trying to learn how to budget so that I would be able to depend on my money any time I need it, instead of around the first or the 15th.

Tiffany is bi-polar. The mother of six children, including a nine-month-old boy, and she spent two months living in a shelter before getting an apartment through Lamp. Now, about half of her \$900-a-month disability check goes toward rent.

**TIFFANY:** I try to hold on to the little bit that I do have left.

**VIGELAND:** Do you have any savings?

**TIFFANY:** Maybe a little bit over a \$100.

**VIGELAND:** For this month?

**TIFFANY:** Yes, for this month.

**WYATT:** Tiffany, she's a miracle.

That's class instructor Renee Wyatt again. She's head of Lamp's money management program, which also serves as a bank for the shelter's clients.

**WYATT:** Tiffany lived on the streets for a long time. She used to run in here, cuss me out, screaming and hollering, "Give me my money. You can't tell me what to do." Now her life has changed.

Not just because she has a handle on her finances, of course. But what advocates like Wyatt have found is that when people like Tiffany, or for that matter any of us, are able to take control of their money habits, that can lead to progress -- and control -- in other areas of their lives.

**WYATT:** So this is a sample budget worksheet. If you are spending more than you earn, you have a deficit. In other words, you're in the red, right? And you have to look for ways to cut back or to earn more income.

Wyatt's class is remarkable for its simple lesson that the basics of finance are the same, whether you're rich or poor.

Another client, 40-year-old Brian, was homeless off and on for about five years and now lives on Social Security payments. He's been through all of Wyatt's classes from credit cards to insurance and budgeting.

**BRIAN:** To help me make my money last all month long instead of it gone in a couple weeks.

**VIGELAND:** It's a difficult thing to do.

**BRIAN:** Yeah. It made me focus on more realistic goals, short-term goals and long-term goals.

**WYATT:** He would never last through the month.

Renee Wyatt says Brian is one of her biggest success stories.

**WYATT:** And recently in the middle of the month he asked what his balance was, and I would say like \$279, and his eyes would get big, and it's the middle of the month, and I still have money, Miss Renee. And he was so excited he said, "I love my budget! I'm gonna do it again next month!"

And he did.

**WYATT:** So this is what we're gonna do right now. It says write down your wishes for the future. These can be things you want today, next week or 20 years from now.

The wishes around the table ranged from getting an apartment, or paying off a loan, to high hopes of, eventually, a house, a car and a dog. Aspirations common to so many of us and made real by common and relatively simple advice.

**WYATT:** That is like my dream for each individual person that they will come into a knowing that they don't have to live from paycheck-to-paycheck. You know, I tell them all the time, look, if you save \$5, you did more than you did yesterday. Watch and see how good you'll feel in five months when you have \$25. It'll make you want to save even more. Try it.

So, you still think you can't do it? Are you sure?