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**A Summer Camp for Fun, Recreation and..?Money.**

This August approximately 70 kids will attend a summer camp near Lake Cachuma in Santa Barbara, California. But this will be a very unique and unusual camp. Along with many of the usual fun, outdoor camp activities, these kids are going to spend most of their time learning how money works.

At what age is it too soon to learn about money? According to a survey of 1,000 adults done by the VISA, the credit card company, 92% thought kids should be taught about money matters in high school. Yet only 10% of today's high school students are graduating from high school with any knowledge of personal finance. This may be why one out of ten students owes more than \$7,000 in credit card debt before graduating from college, according to Nellie May, the student loan company,

Federal Reserve Chairman Alan Greenspan and others have warned that we have a generation of children who are not equipped to inherit the global economy. According to Money Management International, the average American household carried a credit card balance of \$8,562 in 2001. American consumers owe \$7.6 trillion, more than seven times the amount of debt in the early '70's. Much of this debt is being loaded onto the mortgage for the family home--in the late 1950's Americans owned nearly 80% of the equity in their homes. By last year Americans only owned approximately 55% of the equity in their homes according to the Mortgage Information Corporation.

Experts warn that Americans have such poor saving and investment habits that many people will not be able to afford to retire. While our life expectancy increases--which means we have to financially anticipate many more years of retirement--we are less prepared for retirement now than in the last 75 years and the financial decisions we need to properly prepare for retirement are significantly more complex.

The Social Security Administration estimates that over 70% of all Americans retire on a combined income of private pension and Social Security of less than \$10,000 per year. In 1997 it was estimated that less than a third of baby boomers are adequately prepared for retirement (which may be a lot less now that the stock market has suffered a downturn). The traditional company pension program is quickly disappearing, replaced by individual retirement programs. Many experts predict that Social Security will be broke by the year 2030.

To increase financial literacy among this generation of children, the first Money Camp for Kids will be held Aug. 26 th --29 th at Camp Whittier, near Lake Cachuma to teach financial principles to kids aged 11 to 18.

Elisabeth Donati, founder, was motivated to start The Money Camp after reading Rich Dad/Poor Dad by Robert Kiyosaki, who based his book on the experience of having two fathers, his natural father and his step-father, each of whom had completely different ideas about how money works and wealth is created.

"Our society has done a very poor job of teaching our children about how money works" said Elisabeth. "Like parenting and relationships, we are left to learn it about it from friends, the media, and our parents, who themselves may never have been taught basic financial principles."

Elisabeth and I share a passion for ensuring that kids become financially literate. I have joined Ms. Donati to create The Money Camp for Kids. My background is in law, real estate, securities and insurance and I have taught Personal Money Management at Santa Barbara City College the past two years. From my experience teaching young adults about money, it is been clear that my students have had very little instruction about money basics when they entered my class. At The Money Camp for Kids, we would like to ensure that the next generation will learn the basics of money management in middle school and/or high school, before they make major money errors.

The goal of The Money Camp for Kids will be to open kids' eyes to the fact that, as teenagers, they are already beginning to make choices that will create their future, and their beliefs about money will influence the kinds of choices they make. Through a better understanding how money works, and the options for creating and managing money, they will better understand how to reach their goals.

A major objective of the Camp will be that Camp attendees will have an incredible amount of fun while learning about money. Financial basics and principles will be conveyed through games, team projects and entertaining presentations that kids will enjoy, but will be relevant. Kids will only absorb and truly learn if they perceive it is relevant to their lives. Boring, adult terminology about finance will be avoided.

Ms. Donati points out that many social ills are the result of financial illiteracy. "Financial problems are one of the major causes of divorce and suicide in our society. Many people believe that 'money is the root of all evil', but, in fact, money is simply a form of energy, a tool that can be used either positively or negatively. Abundance and prosperity allow people to have choices and the power to bring about positive change. For example, Santa Barbara has over 1,200 non-profits who, to a great extent, exist because of the concentration of generous, wealthy people here in Santa Barbara."

The Camp's curriculum will include options for creating wealth--as an employee, a specialist, a business owner and/or as an investor. The kids will learn how to manage that money by budgeting and tracking, saving/investing, utilizing good debt and avoiding bad debt, and the importance of a financial statement. We will also look at how money can be used to improve our society by examining concepts such as tithing, philanthropy and non-profit organizations.

"We will not focus on the mechanics of filling out checkbooks or opening bank accounts," says Ms. Donati. "We feel it is much more important that kids understand that often the only difference between a wealthy person (with all the options that wealth provides) and a poor person (with the limited options poverty allows) is the beliefs they have about money. We want kids to graduate from the Camp with a better understanding of their options for creating their life and how generating and properly managing wealth can be a tool to accomplish some of life's more important goals."

More information and an application for The Money Camp for Kids can be found at [www.themoneycamp.com](http://www.themoneycamp.com), in the local activity guides published in local papers, or by calling The Money Camp at (805) 957-1024.

Ms. Donati went on to note that "What has been curious is the response we've been getting from parents when we tell them about The Money Camp for Kids. Every one of them has responded by saying, 'Oh, that's sounds great, can I go?' Consequently, we will be offering Money Camps for Grown-ups in the near future as well.