




UNDERSTANDING THE POVERTY CYCLE


Helping Students and Families Manage Difficult Moments






WHAT IS GENERATIONAL POVERTY?


- **Generational poverty** occurs in families where at least two generations have been born into poverty. Families living in this type of poverty are not equipped with the tools to move out of their situations.





FACTS ABOUT POVERTY

- 1.3 billion people live on less than one dollar a day, and have no access to clean water .
- Half of the world – nearly 3 billion people live on less than two dollars a day, and have no access to sanitation
- If you wake up in the morning with a roof over your head and food to eat you are more wealthy than approximately 80 percent of the world.




CHILDREN LIVING IN POVERTY

44 percent – 31.4 million – live in low-income families
21 percent – 15.4 million – live in poor families

MONEY & FINANCE

- \$24,008 for a family of four with two children
- \$19,055 for a family of three with one child
- \$16,317 for a family of two with one child

INCOMES NEED TO DOUBLE JUST TO LIVE DECENT




UNDERSTANDING THE CYCLE EXERCISE

PROFILE 1

- You are a 31 year old single father with 3 children staying on section 8 living in a 2 bedroom apartment. You are employed with a monthly income of \$600.

PROFILE 2

- You are a retired 66 year old widowed grandmother staying in a adult senior living community. You are on a fixed income of \$1000 per month. You have a daughter and 2 grandchildren.



UNDERSTANDING THE CYCLE EXERCISE

EXPENDITURES

- Rent \$150 (Apartment Manager agreed to fix water heater that hasn't been working for 2 months)
- Daughters Cheer uniform payment \$150 (You have denied her to cheer for 2 years due to the lack of funds)
- School Uniforms: 3 sets \$150 (Children are in the 4th and 6th grade / 2 boys and 1 girl)
- Water \$50
- Electric \$50
- Car payment \$ 300
- Car insurance \$40 (liability only)
- Hot water heater repair \$100

EXPENDITURES

- Rent is \$500 per month with all bills paid
- Daughter and children were just evicted from apartments and need a place to stay (You can't have anyone staying with you or it can equal a lease violation and eviction) An alternative is to move them in a shelter/ (Daughter is unemployed)
- You can also move into another apartment with your family and pay a higher rent of \$750
- Car payment \$250
- Car Insurance \$40 (Liability only)
- Senior Gym membership \$10
- Monthly gas \$60



BREAKING THE CYCLE

- Mentor
- Education
- Better Employment (Job Growth and Opportunities)
- Savings (Financial Income Centers)
- Community Resources



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