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Tutor Resource of the Month

U.S. government website created to teach the basics of financial education.
www.mymoney.gov/

Quote Corner:



Start by doing what's necessary, then what's possible, and suddenly you are doing the impossible.

-Francis of Assisi

Financial Literacy

Financial literacy is especially important this time of year: tax season. But understanding finances on a day-to-day basis will make a difference in the cyclic pay period that many struggle through. Shopping for necessities is a skill many take for granted but recognized nationally as a literacy need.

Estimates as high as \$380 billion represent the buying power of consumers with low-literacy skills. The *Journal of Marketing* reported in 2005 on a study that addressed the need for advertisers to change the way they communicate with the people who buy their products. It is good that an effort is being applied to make options clearer for many people; on the other hand, we want to be sure the information gathered about how people shop is not used to create a propaganda machine. Empowering your learners with financial literacy will help them make decisions for what they need, not what they are simply being sold.

Adult education students were observed in the 2005 study to better understand their shopping styles. The most common approach was to "shop indiscriminately until money was all gone." They also chose the lowest-priced items without taking into account the unit cost, because they could not understand two dimensions of numbers at once, namely size and price.

Since calculating unit price is difficult for literacy learners, we are passing on a resource for that. Go to

www.studyzone.org/mtestprep/topic7.cfm?TopicID=365 for a lesson, practice and interactive game for calculating unit cost.

Use financial literacy quizzes online to evaluate what your learners need, but the first place to start with all new financial planners is the budget. This is a great time to plan spending for the whole year. There are many resources on the internet for this, although your own simple worksheets will be effective.

If you are addressing other concerns with your learners, California's www.jumpstart.org and the Institute of Consumer Financial Education at www.ICFE.info have extensive links that connect you to banking, fraud protection, credit and many more related sites.

Read Across Oregon 2007

The Fifth Annual Read-A-Thon is here! OLI asks a small fee to join, and entrants are encouraged to collect pledges. Fifty percent of the funds raised go toward the library, literacy program or school of your choice!

Sign up at www.oregonliteracy.org or contact Jon Toorock at jon@oregonliteracy.org
503-244-3898 for further information.

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The FDIC and Banking Literacy

The Federal Deposit Insurance Corporation (FDIC) was created in 1933 to insure deposits made at banks and savings and loan institutions. Today this agency continues to insure deposits but has expanded its scope as an agency to offer adult education about banking, saving, homeownership and other financial topics.

Money Smart, an adult education program is a program designed for adult learners. The program offers lessons in a variety of languages including English, Spanish, Chinese, Korean, Vietnamese and Russian. This program is available in two versions. One version is instructor-led and the other is web-based. Each version offers the same lesson plans with titles including

Bank on It, To Your Credit and Loan to Own. All focus on some aspect of the use of credit, the value of saving and individual rights as a banking customer.

The lesson plans come with a comprehensive guide for instructors. These guides include the necessary tools to start teaching the program. They offer a script if needed, cues and class exercises. Also included is a take home guide for participants.

Visit www.fdic.gov/consumers/consumer/moneysmart/ to order lesson plans. There is currently no charge but some products may be limited. Additional copies can be made on-site if needed.

Tax Literacy

Tax season is upon us and April 15th is fast-approaching. Filing taxes can be complicated for all of us but especially confusing for those whose reading skills are below the level at which forms and instructions are written.

Alliances between H&R Block and programs that promote financial literacy offered free tax and financial education to low- and moderate-income Americans in more than sixty cities in 2006. H&R Block estimates low-income workers are passing on over \$1 billion in tax returns because they simply do not understand what they are entitled to. Go to www.irs.gov/efile/article/0,,id=118986,00.html for their Free File Program that allows eligible tax payers to electronically file their federal tax returns for free; it is also available in Spanish.

The IRS has offices in the Portland metro area, Bend, Eugene, Medford and Salem. There are also low-income tax clinics in the Portland metro area. These clinics exist to provide assistance for tax payers who can not afford tax advice in the event of an audit.

Multnomah County Library locations and United States Post Offices are authorized to distribute tax forms. The availability of forms is dependent on location. From January to April, some library locations offer space for the American Association of Retired Persons (AARP) tax assistance program. This program helps low-income and older people with filing their forms.

For locations and availability of forms visit www.multcolib.org or www.USPS.com.

LitLinks

www.practicalmoneyskills.com/english/index.php

This site contains student activity worksheets for special need adult learners.

www.irs.gov/localcontacts/article/0,,id=98325,00.html

Listing of IRS offices, hours and services are provided here. Offices offer multilingual assistance.

www.aarp.org/ This site offers a search engine for free tax assistance for low- income persons. Search by zip code to find the closest location.

www.otan.us/images/publicarchive/ArchivesDigitalFiles/ELCivics/Financial_Lit/003370financial_literacy_esl.pdf. This pdf file offers ESL lessons in financial literacy. It consists of three lesson plans: banking, credit and budget making.

www.valrc.org/. The Virginia Adult Learning Resource Center contains resources for adult learners including lesson plans on numeracy and articles to support those who are teaching basic math.