



Literacy Works, Inc.

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LITERACY WORKS, INC. RECEIVES \$15,000 GRANT FROM BALTIMORE WOMEN'S GIVING CIRCLE FOR FINANCIAL LITERACY PROGRAMS IN BALTIMORE CITY

BALTIMORE (July 23, 2007) – **Literacy Works, Inc.** has received a \$15,000 grant from **The Baltimore Women's Giving Circle** to expand its *Family Finances* financial literacy programs in Baltimore City. *Family Finances* is a six-session course for parents and children to learn the basics of financial matters.

Since 2004, Literacy Works has held 14 *Family Finances* programs throughout Baltimore funded by **American Express Economic Independence Fund** and **Bank of America** with such organization as: **YMCA of Central Maryland, Baltimore City Department of Recreation-Parkview Center, Baltimore City Head Start, Housing Opportunities Unlimited** and **Enon Baptist Church**.

Funding from the Women's Giving Circle will enable Literacy Works to offer fall and spring *Family Finances* sessions for women and children at the following locations:

1. **The Women's Housing Coalition** (609 Park Avenue), a non-profit organization which provides transitional and permanent housing combined with supportive services for homeless, low-income and at-risk women. *Family Finances* participants will include 18 women with families residing in the apartments. Most of these women come from emergency shelters, transitional housing, substance abuse programs and hospitals.
2. **The DRU Family Support Center** (2100 Eutaw Place), which provides free, comprehensive services to families, targeting parents and their children from birth through age three. *Family Finances* participants will include approximately 15 young mothers who come to the center to learn best parenting practices, attend adult education and get assistance to become self-sufficient and independent.

"*Family Finances* will increase the participants' personal financial knowledge, improve their skills and increase their self-confidence with the use of money," said Literacy Works Executive Director Helene Waranch.

During the program, parents and children will participate as a family in a project to include planning, budgeting and implementation with a maximum of \$25. With the completion of a plan, each family will receive up to \$25 for implementation.

Additionally, the women and children will receive individualized instruction. The children's instruction will focus on the use of money: earning, purchasing, borrowing, sharing and savings. It will include role playing, art projects, story time and hands-on activities with play money, receipts, adding machines and cash registers. Goals are as follows:

- a. Earning – Children will learn to understand the buying power of money.
- b. Savings – Children will value the benefit of saving.
- c. Spending – Children will learn to purchase goods
- d. Sharing – Children will learn the "feel good" benefits of giving and receiving.
- e. Borrowing – Children will understand that borrowed money needs to be paid back.
- f. Celebration – Children will present the use of the \$25 "investment" in their families.

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The women's sessions will cover family budgeting, banking services, savings, credit management, renting versus home ownership, leases, mortgages, interest rates, down payments, retirement and allowances. Activities include preparing a family budget, completing a banking services worksheet with sample checks, balancing a bank account, completing a "Your Dream House" worksheet using examples from newspapers, and creating a retirement plan.

Goals for each session are as follows:

- a. Goals, Values, Attitudes.
 - Understand the role of values and attitudes in financial planning.
 - Recognize personal values.
 - Choose a system for distributing allowances to children.
 - Know how to make goals that take into account family values and attitudes.
- b. Savings – Pay Yourself First.
 - Recognize the importance of saving money.
 - Know ways to save money.
 - Know how money can grow when it is invested.
 - Know at least five different savings products available at banks and credit unions.
- c. Using Credit Wisely.
 - Know the characteristics of credit cards.
 - Know the costs of using credit cards.
 - Recognize potential problems associated with credit card usage.
- d. Budgeting Your Money.
 - Describe the concept of budgeting.
 - Recognize the benefits of budgeting.
 - Use a budgeting tool.
- e. The Door to Home Ownership.
 - Discuss benefits and pitfalls of renting versus owning a home.
 - Determine home-buying readiness.
 - Understand basic terms in the mortgage process.
 - Get more information about different government mortgage programs.
- f. Final Session
 - Increase test scores from the pre to post-test.
 - Share their family's financial goals.
 - Present the use of the \$25 "investment" in their families.

"As the women enter the workforce and/or establish their own households, the financial information that they will obtain in *Family Finances* will help them to better manage their income, to balance their financial obligations, and to become financially savvy and self-sufficient," Waranch added.

Founded in 1990, Literacy Works, Inc. serves to improve adult and family literacy. With a philosophy of, "Teach the parent, reach the child," the organization serves approximately 400 students and trains more than 200 volunteers in conjunction with The Community College of Baltimore County (CCBC). It operates seven adult learning centers in Baltimore City and County. For more information, contact 410-887-2001 or www.literacyworksinc.org.