



Your Bottom Line

Your go-to resource for timely information about personal finance, college planning and student loan management



Tax Questions for the Self-Employed

When you own your own business, tax considerations can get a bit complicated—and potentially more expensive. That's why we encourage you to take special precautions when it comes to your taxes. Our friends at the Oklahoma Society of Certified Public Accountants offer answers to common tax questions that business owners should thoroughly consider.

- **What's the self-employment tax and how does it affect me?** The self-employment tax will have considerable impact on your business plans. When employed by someone else, you split your Social Security and Medicare taxes with that employer. As your own boss, you'll be responsible for covering the entire bill. Although this might seem

discouraging, you're allowed to deduct up to 50 percent of self-employment taxes from your net income.

- **How do tax payments work?** Since an employer is no longer withholding your federal, state and local taxes, you'll need to calculate how much income tax you owe and make quarterly estimated tax payments. If you don't pay enough through withholdings or estimated payments, you could be subject to a penalty. However, if you earn income through self-employment while employed by someone else, you'll receive credit for Social Security and other taxes withheld by your employer, which may lower your self-employment tax burden.

- **What deductions can I take?** Take advantage of many business-related tax deductions, like the home office deduction for any space in your house that's set aside exclusively for regular business use if it's your principal place of business. You may also be able to deduct a percentage of your rent or depreciation on a home you own, property taxes, utilities, home maintenance costs and home insurance. Of course, you may also be able to deduct a variety of other expenses related to running your business – including Internet and phone use, the costs of equipment or supplies, travel, meals and entertainment. Talk to your certified public

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accountant (CPA) or tax preparer to ensure you're taking advantage of all the deductions available to you.

- **How does the Affordable Care Act (ACA) affect me?** The ACA requires all individuals to have minimum essential health care coverage or pay an individual shared responsibility payment when they file their tax returns. Through the ACA, self-employed individuals are able to shop for flexible coverage through the government's Health Insurance Marketplace. It's best to research all your available options to determine which health care coverage plan is the best option for you and your family.

To learn more about tax issues and working with a CPA, visit KnowWhatCounts.org.

Saving Tips from the Great Depression

During an economic downturn when every dollar must be stretched even farther than usual, it's sometimes helpful to look back to move forward. Several saving strategies that helped families make the most of limited resources during the Great Depression are still relevant today.

- **Use every bit.** From scooping out the last bit of lipstick to greasing a pan with the paper from a spent stick of butter, people wasted nothing.
- **Maximize what's free.** A savvy cook would never throw out bacon grease only to turn around and purchase non-stick spray. They strained it into a jar, stored it in a cool spot, and cooked with it for weeks.
- **Be crafty.** Productive hobbies like knitting, crocheting or sewing could supplement and extend the life of your wardrobe. Carpentry or woodworking skills are handy around the house.
- **Maximize leftovers.** Bones and vegetable scraps were simmered all day for an incredibly healthy broth. Leftover vegetables and meats can then be added to make a stew.
- **Repurpose packaging.** Product containers were reused for storage and potato sacks were sewn into clothing. Even old shirts that were past the point of mending could be turned into dust rags.
- **Avoid debt.** Credit cards are a relatively new concept. Most people during the depression would consider debt a last resort. They spent thoughtfully by budgeting and saving for things they needed.



Do you remember your first cellphone? Chances are you bought it because of its convenience in the event of an emergency. Believe it or not, if you're looking for safety services at your fingertips, there's an app for that. We've highlighted some of our favorite emergency apps below.

- **ICE: In Case of Emergency (ICE)** is both a "life hack" and an app that emergency responders can use to contact your loved ones for information. You can download an ICE or red button app on your mobile device, or you can add the acronym "ICE" to Contacts on your phone - with your emergency contacts in the ICE entry - to help first responders track down your emergency contacts. Similarly, the iPhone's Medical ID can be accessed by swiping left on the lock screen and is designed to include any pertinent information an emergency responder may need.
- **Weather Radio/Radar:** Weather tracking apps can be customized to alert you when severe weather is headed toward your GPS location. The American Red Cross and FEMA offer apps to help you prepare for common disasters where you live, such as wildfires or tornadoes.
- **First Aid:** From CPR to bug bite treatment, there are apps to help you take lifesaving steps in the event of an emergency. The free American Red Cross First Aid app doesn't require an Internet connection, includes a call 911 button and offers translation to Spanish. A similar app is available for people with pets, called Pet First Aid.
- **Auto Accidents:** If you've ever been in a car accident, then you know it can leave you feeling flustered and anxious. If you're concerned that you won't remember to gather all of the necessary information to file an insurance claim, an auto accident app may help.



Summer Academies

Dr. Cynthia Brown, Director, Oklahoma Student Preparation
Oklahoma State Regents for Higher Education
(OSRHE)

Dr. Cynthia Brown answers our questions about this summer's free STEM Academies for students.

Tell us about OSRHE's student preparation program.

The Student Preparation Office works with PK-12 educators and parents to prepare students for college readiness, through guidance and support beginning at an early age. We provide regional workshops, counselor retreats, a summer institute for counselors, tribal education retreats, and parent/student nights across the state.

Student Preparation offers academic bridge programs for middle and high school students. What do these programs entail?

The Summer Academies are programs that promote students' interest in science, technology, engineering, and mathematics (STEM), and promote their career and educational aspirations. Students have an opportunity to participate in one of 37 Academies located among 19 participating Oklahoma colleges and universities. We've had more than 17,000 students attend the Summer Academies since 1990. Students may choose to attend a residential academy allowing them to live on the campus for the duration of the

camp, or a commuter academy that allows them to travel to and from campus.

What activities do students participate in at the Academies?

These programs provide hands-on learning activities. Our programs offer a range of topics including forensic science, engineering, environmental conservation, and much more. Students participate in classes and experience what it's



like to live on a college campus. This may include hanging out in the student lounge, working out at the fitness center or exploring the city with their fellow students and adult counselors. This allows them to see if the school is a good fit for their future educational and social needs.

How can students benefit from attending an Academy?

Research shows that 75 percent of students who attend Summer Academies go on to attend college, without needing to take remedial courses. Summer Academies help students realize that attending college is possible. For example, one student said, "I learned a lot from the people I met and have the best memories. My experience was something that I would never give up. I learned that studying is crucial and am looking forward to applying for college." Another student said that if it weren't for the experience at the Academy he attended, he'd have fewer employment opportunities. It proved to him that he could go to college.

Who is eligible to attend and how can they apply?

Application for the Summer Academies opened March 1 to all Oklahoma students entering 8th-12th grade in the fall 2016 semester. The program is free and we encourage everyone to quickly apply since space is limited. To view the full list of Academies, including camp dates and how to apply, click on the Summer Academies banner at OKhighered.org. For any other questions, call 1.800.858.1840.

Success with Scholarships

Did you know UCanGo2 highlights a scholarship every week and adds new scholarships every month? When browsing UCanGo2.org for information about planning, preparing and paying for college, look for the “Find Scholarships” button, or click the “Scholarship” menu link to search for scholarships by deadline or category. For tips to help you win scholarships, download the *Scholarship Success Guide* from the Publications page at UCanGo2.org.



April 23-30, 2016

Jump\$tart Your Money (JYM) Week is a statewide educational initiative coordinated by the Oklahoma Jump\$tart Coalition to raise awareness of the importance of personal financial literacy. JYM Week provides an opportunity for organizations of all types to plan and cooperatively market a wide range of financial education events.

You're invited to host your own financial education event or partner with a Jump\$tart member organization to meet a need in your community. To celebrate April as Financial Literacy Month and promote the 12th annual JYM Week, the Coalition is hosting an array of free events.

- **OKC Dollar Dash.** This fun-filled photo scavenger hunt will take place in Bricktown the morning of Saturday, April 23. Teams of 2-4 will compete for first, second and third place cash prizes. Individual door prizes donated by Bricktown businesses will be up for grabs, too. Free t-shirts will be available while supplies last. Preregistration is strongly suggested and can be completed at okcdollardash.eventbrite.com.
- **Raising the Grade on Financial Education in Oklahoma.** Monday, April 25, John Pelletier, Director of the Center for Financial Literacy at Champlain College in Vermont will visit the Oklahoma City branch of the Federal Reserve Bank of Kansas City to share information on promising results for teacher training in financial literacy and Oklahoma's ranking in the State Financial Literacy Report Card.
- **Jump\$tart's JA in a Day.** Coalition members will gather at Hawthorne Elementary School to spend a fun-filled day inspiring and preparing elementary students to be successful in the global economy. Volunteers will present a variety of financial lessons and help students make the connection between what they learn and how it relates to their world.
- **Free, family financial fair.** The Coalition is partnering with OKDHS, the Homeless Alliance and numerous other community partners to host free financial education training at WestTown Day Shelter on Saturday, April 30. Adults will enjoy two consecutive educational workshops focusing on how to save, budget and stretch financial resources while children ages 6-14 will enjoy engaging activities in their own age-appropriate workshop.

Visit the Events page at OklahomaJumpstart.org, to register and learn more about each of these events.



Spring Clean Your Closet to Save Money

It's springtime! Get organized and give your wardrobe a spring in its step with a closet purge.

- **Donate, sell or swap.** Purging your closet can be a great way to let go of some unused items and put a little cash back in your wallet. Donating unwanted items to a charity can provide a nice tax deduction (just remember to get an official receipt from the nonprofit organization). If you prefer to sell your items, consider taking them to a consignment shop for cash or in-store credit. There are online options for selling your items, but use caution and consider your personal safety when utilizing those avenues. Another option is to have a closet swap with friends.
- **Keep your closet seasonal.** Instead of keeping your full wardrobe in your bedroom closet, consider keeping only items you'll wear during the current season in there and store the rest. This will help simplify wardrobe selections, and it will be easier for you to identify items that don't fit well or have outlived their usefulness. At the end of the season, pull the items you haven't worn and donate or discard them before moving that season's pieces to storage and bringing in your clothes for the next season.
- **Mend.** There's no need to toss items that only need minor repairs. If you don't have the skills to mend items yourself, keep a bag handy so you can easily gather items to take to a tailor for mending. This approach will save you from a closet cluttered with clothes you can't wear and keep you from replacing items that would be more cost-effective to repair.

On Our **MIND**

What's on the mind of OCAP staff? This month, communications specialist Elizabeth Pressler-Henderson talks about the value of basic sewing skills.



I've always had a crafty side. However, I don't have as much time to spend on hobbies now that I have children. Surprisingly, I've found my handicraft skills manifesting in a more practical way than before. I've repaired necklaces and earrings with my beading and jewelry skills, crocheted last-minute holiday gifts and made unique new candles from the scraps of fancy store-bought varieties.

More than anything else, my sewing skills have served me best. Even if you don't have a sewing machine or have a desire to learn to create entire ensembles from scratch, there are a few basic tricks that can save you time and money.

- **Hemming, with or without needle and thread:** At 5'2", I'm sort of in a no-man's land between regular and petite sizes. Rather than take my regular-length slacks and jackets to a tailor, I spend about five minutes on my sewing machine to hem legs and sleeves myself. When I need to hem without visible stitching, I've discovered a shortcut - hem tape! All you need is an iron and a roll of the specialty "tape" that will fuse your hem under heat and pressure.
- **Patching:** With two rough-and-tumble boys, I face frequent torn knees. Learning to sew on a patch was one of the smartest things I've ever done, and there are iron-ons for people who don't want to spend time stitching. If you don't like the look of patches (I don't) just put them on the inside of your clothes.
- **Quick costumes:** I don't sew clothing from scratch anymore, but knowing how to sew a straight seam means I've been able to alter thrift-store buys into custom costumes for my kids or for myself (I love costumes!). I've turned T-shirts into vests, added bell sleeves to dresses, and made tattered pirate pants.
- **Resizing:** I recently lost a few pounds. To avoid having to replace my entire wardrobe, I took in some of my clothes. This isn't as hard as you might think; I used existing seams as a guide, and I didn't cut out any fabric (which means I can let it out again if I need to). You really do need a sewing machine to do this properly, but this project alone saved me around \$200 which is about three times more than I originally paid for my sewing machine.

Sewing is a wonderfully practical skill. Free sewing tips and tutorials are available online, and many fabric stores offer basic sewing classes.



In 2015, the
average tax
refund topped
\$2,800.

CNN Money



Photo courtesy of OSU-OKC

Freshman Orientation

In life, we all have choices in managing our money, and college freshmen are no different. Incorporating financial literacy education into your upcoming freshman orientation program empowers students to make wise, confident choices while in school and beyond.

Oklahoma Money Matters provides free personal finance workshops for your upcoming freshman orientation camps, seminars, or classes. We customize our content to engage and inspire incoming freshmen and transfer students, covering topics such as:

- Budgeting methods
- Practical ways to save
- Managing credit and borrowing student loans wisely
- Avoiding identity theft

We also offer instructional resources to enhance the workshop experiences. Visit OklahomaMoneyMatters.org to find a selection of interactive tools, self-paced learning modules, electronic newsletters and podcasts.

To discuss adding financial education to your freshman orientation program, contact us at 800.970.OKMM (Toll free) or at OklahomaMoneyMatters@ocap.org.

Worth Buying in Bulk

Buying in bulk can save you a lot of money, but only if you do it right. Some products may spoil or lose their effectiveness before you can use them completely – which erodes your savings – and some products just aren't always a better value in larger quantities. We did the research and prepared a list of the bulk buys that offer the best value.

- **Pasta, white rice, and dried beans** are an excellent value in bulk; they store well in sealed containers for long periods of time.
- **Baby care items** can be much more affordable when bought in bulk. Stock up on diapers when your child moves up to a new size, so you're sure to use them all.
- **Trash bags** are less expensive in large quantities and don't take up much more room on your shelf than in supermarket quantities.
- **Office supplies** are usually much cheaper in bulk.
- **Toothbrushes** might seem like an odd choice to buy in bulk, but the savings can be significant.
- **Multivitamins** are cheaper in larger quantities, but make sure you can use them up before the expiration date.

Avoid buying cooking oil, sunblock, whole grains, and bleach in bulk unless you know you'll use them quickly, as they tend to have a shorter shelf life. Additionally, canned vegetables, toilet paper, produce, soda, cereal, and eggs are rarely a better deal in larger quantities; look for specific sales instead.

A Basic Guide to Food Preservation

Extending the life of your food through preservation is a great way to save money. Many people also preserve food to have an emergency supply of easily prepared meals, or for camping and backpacking. There are numerous techniques available to preserve food, and they vary in cost and complexity.

The three main ways to preserve food long-term are dehydrating, freeze-drying and canning. When choosing a preservation method, consider how you plan to use the food, how you'd like to store it and how long you need it to last.

- **Dehydrating** food entails removing all of the water using heat and air circulation. Once dehydrated, the product can either be consumed or stored for rehydration later. Commonly dehydrated store-bought foods include beef jerky and fruit leather, but it's possible to dehydrate fully prepared meals, as well. While store bought dehydrators are recommended, there are many options for building a dehydrator yourself, and you can even dehydrate food in the sun.
- **Freeze-drying** is a process by which food is simultaneously frozen and dehydrated. When stored properly, freeze-dried food can last for many years. Most store-bought Meals-Ready-to-Eat (MRE) are freeze-dried. An alternative to freeze-drying is simply freezing. Many fruits, vegetables and even fully cooked meals can be preserved through basic freezing. However, unlike freeze-dried foods, frozen foods must be kept frozen until consumption.
- There are two ways to can foods: **water bath canning** and **pressure canning**. With either option, the goal is to contain the food in a jar without any air. Acidic foods such as tomatoes and pickles are the easiest to can, but it's possible to can a wide variety of non-acidic foods through pressure canning.

	Dehydrating	Freeze-Drying	Canning
Startup Cost	\$60-250	\$25-\$4,000	\$20-200
Equipment Needed	<ul style="list-style-type: none">• Dehydrator• Resealable plastic and/or Mylar bags• Optional: vacuum sealer and/or oxygen absorbing pouches	<ul style="list-style-type: none">• Dry ice and a cooler or a deep freezer; or an in-home vacuum freeze dryer• Resealable plastic storage and/or Mylar bags• Vacuum sealer and/or oxygen absorbing pouches	<ul style="list-style-type: none">• Mason jars• Wide mouth funnel• Ladle• Large Pot or pressure canner• Tongs or jar lifter• Clean cloths
Process Time	5-30 hours	20 hours-one week	20-60 minutes
Nutrition Retention	Maximum	Unless using a vacuum chamber freeze dryer, some nutrition may be lost	Depends on how the food is prepared before canning
Shelf Life	1-4 Years	Up to 25 years	1-4 years
Resources	GoodReads.com: The Ultimate Dehydrator Cookbook	Wikihow.com/Freeze-Dry	SimpleBites.net/canning-101-the-basics/



Partner News and Events

Tax filing deadline Monday, April 18



Member/Government Relations Luncheon
Monday, April 25
11:30 a.m. until 1:00 p.m.
Oklahoma City

For more information, email Melissa Neal at mneal@ocap.org
or visit OklahomaJumpstart.org.

Have News to Share?

Let us feature it! Do you have a contest, educational workshop or other event you'd like us to highlight in a future edition of the newsletter? Send a note to bnichols@ocap.org today; space is limited.



Oklahoma Money Matters (OKMM), an initiative of the Oklahoma College Assistance Program and the Oklahoma State Regents for Higher Education, is a personal finance education program that helps K-12 schools, higher education campuses, businesses and community partners develop or expand educational services that empower Oklahomans to make positive financial choices.

Visit us Online at
OklahomaMoneyMatters.org.

To ask questions or share comments regarding this newsletter, call 800.970.OKMM (Toll free) or email OklahomaMoneyMatters@ocap.org.



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