

Money for Life

November 2007

Dear Readers,

Many of us will spend more money than we intend during the coming holidays. We have all felt panic standing in the middle of a crowded mall with only a few days (or hours) to find just the right gift for everyone on our list. In some cases, a distracted moment will result in the theft of a credit card. By using the tips we've assembled here and with a little care, planning, and budgeting, we hope we'll be able to help you have a less stressful holiday season.

Managing Your Money

Save in advance. It may be too late this year, but commit now to saving in advance for next year. Discipline yourself to save a few dollars from each week's paycheck during the year. It's simple. Look into joining a "Christmas Club" at your savings institution.

Moonlight. Taking on a part-time job for a few months, or working overtime, is one great way to earn extra spending money in time for the holidays. Even better, work a little extra here and there throughout the year, saving most, if not all, for holiday expenses.



Make a list. It also helps to stick to it! This may seem to be a fairly basic thing to do, but think of the times you've gone grocery shopping and found yourself buying things that weren't on your grocery list.

Holiday displays are even more enticing. Avoid impulse buying.

Hitting the Stores

Read sale ads carefully. During the holidays, some merchants may offer items at a sale price for a limited time, for as little as four hours or early in the morning. Others may say "quantities limited," "no rain checks," or "not in combination with other offers."



You may want to call ahead to see if the item is on the shelves.

Allow time for planning and comparison-shopping. Keep your budget in mind and shop carefully to get the best selection and price. Some merchants may offer a sale price for a limited time on an item you want.

Watch the scanner. During the holidays, it seems like retailers are announcing new sales and markdowns every day. With the extra workload, sometimes the staff can't keep up with all the price changes and update the cash register scanners with the new prices. If you think the price isn't right, speak up. If you're going to go buy something you saw advertised, take a copy of the ad with you.

Be aware of distractions. It sounds like basic advice but get your receipt when you make a purchase and put it away carefully. Don't let yourself get into "Murphy's Law situation" needing that one receipt you tossed in the trash. Make sure you're OK with the refund and return policies for sale items, especially those on clearance. A misplaced receipt could contain enough information for a crook to misuse your credit card number to make a purchase!

Shopping from Home

Consider shopping by catalog or online. Many folks find that catalog or online shopping helps them stick to a budget because they're not seduced by the myriad choices available in stores. Shopping



from home often saves time, gas, and your energy. However, shipping charges will need to be included in your budget.

Verify the delivery date. When you place an order, the vendor usually tells you when to expect delivery. Sellers are required to ship items as promised or within 30 days after the order date, when no specific date is promised. If the seller can't ship the goods within the promised or 30-day deadline, the seller must notify you, give you a chance to cancel your order and provide a full refund if you've chosen to cancel. The seller also has the option of canceling your order and refunding your money. It's also a good idea to plan for a couple extra days in delivery time during the holidays - even the best retailers can fall behind. Nothing's worse than giving someone an IOU because your gift is backordered.

Check out the terms of the deal. Can you return the item for a full refund? If you return it, who pays the shipping costs or restocking fees? Can the recipient return your gift? If so, ask that a gift receipt be included in the package.

Keep a paper trail. Print and save records of your online transactions, including the product description and price, the online receipt, and copies of any email you exchange with the seller

Using Credit

Keep an eye on your credit card and account number Never lend your credit card to anyone, the FTC advises, because you are responsible for paying the bill. Problems with the bill can damage your credit rating. Also, don't sign a blank charge slip; draw a line through the blank spaces above the total so that the amount cannot be changed. Only carry the credit cards you anticipate using, and be very cautious about disclosing your account number over the telephone unless you know with whom you are dealing. And finally, never write down your account number on the outside of an envelope or piece of paper. Also, be sure to retrieve your credit card after completing a transaction. It's easy to forget it after spending a frustrating half hour in line.



If your credit and ATM cards are lost or stolen, the FTC suggests that you report the loss or theft immediately to the card issuers. Many companies have toll-free numbers and 24-hour service to deal with such emergencies. Always follow up with a letter that includes your account number, when you noticed the card was missing, and the date on which you reported the loss.

Keep good records. Save your receipts, compare them with your monthly bill, and promptly report your problems to the credit card issuer. If ordering by mail, phone or online, keep detailed copies about the transaction, including warranties, or return and refund policies.

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