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## Back to School Shopping

The end of summer is approaching and that means it's time to start thinking about back to school shopping, which can be an expensive venture. There are some ways to stick to a shopping budget and not go broke by the time school starts.

First, take an inventory of what your student has and make a list of what he or she needs. Get rid of anything your child has outgrown. Consider selling the lot of clothes on ebay or craigslist or get together a group of friends and do a clothing swap. You might get rid of some things and pick up some items along the way.

Once you have identified the items needed, plan for your shopping. Consult the back to school ads and determine where you can get the best bargains. Don't rule out discount retailers or overstock stores. Your student may find items similar to name brands, but at half the cost. Check out resale stores as well; just carefully examine the merchandise for any defects before purchasing.

Set a budget for each child and make him or her aware of the limit. Try to use cash for all purchases, so you're not tempted to overspend and don't forget to figure in the cost of school supplies, like notebooks and folders.

If your budget allows for it, stock up on items you find good deals on. If you see jeans at a great price, buy some in the next size up or if summer items are on clearance get a head start on clothes for next year. Just be smart about what you buy ahead and make sure you're confident your child will be able to wear it when the time comes.

## Did you know?

Did You Know....there is a wealth of information on the Agency's website, [www.advantageccs.org](http://www.advantageccs.org)?

- The Advantage website provides access to the new, online credit counseling system
- Interested in the Agency's credit or bankruptcy counseling services? Chat live with one of the Agency's certified counselors via the Advantage website
- There are numerous educational materials and articles on topics like budgeting, family and money, dealing with debt and shopping smart
- There's the Advantage Blog, Dollars and Sense, which provides helpful articles on money management
- A pdf copy of this newsletter is available on the website
- Also accessible, the Agency's 2011 Annual Report, detailing the accomplishments of Advantage CCS in 2011



**Q:** I haven't checked my credit report in a couple years. Is this something I should do?

**A:** Checking your credit report is an important part of maintaining financial stability. Everyone should check their credit report annually, no matter if you have poor or excellent credit.

All consumers are eligible for a free credit report, once per year, from each of the three credit bureaus: Experian, Equifax or Trans Union. The only website where you can obtain your free credit report is [www.annualcreditreport.com](http://www.annualcreditreport.com). You can opt to check one credit report or you can check all three. If you're planning on making a major purchase, like a home or car, it's a good idea to check all three. Otherwise, check one and then check the others at four month intervals.

There are several reasons why you should know what's on your credit report. First, it gives you an excellent indication of your creditworthiness. If your bills are always paid on time and no collection account activity, you're doing pretty well. However, if you have some past due accounts, collection accounts or charge offs, you know you have some work to do.

Cleaning up your credit can take time, but it's important to try. At some point in life, everyone will likely need credit. It may be for a mortgage, car loan or school loan. It's important to position yourself to receive the best rate on your loan as possible.

# Rising Cost of Raising a Family

Raising children is expensive. Recently, a new report from the U.S. Department of Agriculture estimated it costs \$235,000 to raise a child from birth to age 17. This figure is up 3.5% from 2010. However, it does not account for education expenses after high school. There are ways though to better manage expenses and plan out a livable budget.

First, to have a livable budget, you must have a budget. Budgeting can be an overwhelming task, but it is critical if you want to better manage your money. To start a budget, do a thorough inventory of income and all expenses. Consider all monthly expenses, including your mortgage, utilities, unsecured debt payments, like credit card bills, cable, car payment, child care, everything you pay on a monthly basis. Next determine all other expenses, like grocery shopping, entertainment, basically anything else you spend money on. If you are finding it difficult to identify these other expenses, track all expenses for 30 days.

One way to track expenses is to notate everything each family member is buying. You can carry a small notebook and every time you make a purchase, mark what it is and how much it cost. Another way to track expenses is to stick an envelope in your purse or pocket and put all purchase receipts in the envelope. If you purchase something you don't get a receipt for, jot it down on the outside of the envelope. Total your receipts on a weekly basis (or you can total at month's end) and that will give an idea of where your money is going.

After you track your expenses, you can identify areas where you need to cut back. For example, if you're spending too much money on

food outside the home, like lunches or dinners out, start to figure out how you can do that less or for less. Try to limit your eating out to one meal a week and make plans for meals at home. Plan weekly menus and do the grocery shopping in one day. Often times, you're more likely to cook at home when you know what you're going to make and that you have all the necessary ingredients.

If you find your grocery bill is eating a gigantic hole in your budget, consider ways you can cut back. Shop the sale ads and, if you can, add a coupon on top of a sale item. You can usually achieve decent savings. When shopping for produce, try to buy what's in season or, in the summer, skip the grocery store and shop a farmer's market for produce. Avoid convenience items, like pre-chopped vegetables or boxed meals, which are usually more expensive than doing it yourself.

When raising kids, it's important to plan for periodic expenses. These expenses can range from sports registration fees, dance lessons, to the presents for the multiple birthday parties your kids get invited to attend. This could easily amount to a \$1,000 a year, per child, in added costs. Try setting up a miscellaneous expense fund. Start with depositing \$50 dollars a month and increase the amount whenever you can. You might not be able to set aside enough money to cover all miscellaneous expenses without dipping into your money budgeted for monthly expenses, but having some money set aside is better than none at all.

Identifying budget challenges and planning ways to tackle them will help you better manage your money. Raising children is expensive, but it does reap great rewards.

## Resources

[www.advantageccs.org](http://www.advantageccs.org)

[www.advantageccs.org/blog/wordpress/](http://www.advantageccs.org/blog/wordpress/)

[www.cnpp.usda.gov](http://www.cnpp.usda.gov) - cost of raising a child calculator

[www.annualcreditreport.com](http://www.annualcreditreport.com)

### The Advantage Challenge

*Advantage CCS challenges you to ...set a budget for back to school shopping and stick to it. Use some of the tips in the Back to School Shopping on a Budget article – set an amount per child, shop the sale ads, check out discount retailers and second hand stores for clothes. Let us know how you do, how much you saved and how you made it happen. Email [hmurray@advantageccs.org](mailto:hmurray@advantageccs.org) your results. Happy Shopping!*



# Advantage

2403 Sidney St., Suite 400  
Pittsburgh, PA 15203  
(888) 511-2227  
[www.advantageccs.org](http://www.advantageccs.org)

