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Credit Score Dating?

There's a new trend on the dating scene – credit score dating. Some singles are registering with dating websites where you include your credit score as part of your profile. The idea being you want to date someone with a financially secure future, who will have the ability to make such purchases, like a house or car and be responsible with finances.

However, is a credit score an appropriate indicator of someone's financial future? Especially since there are ways to increase your credit score after past mistakes. Credit scores can improve by paying your bills and paying them on time. Reducing the number of credit cards you apply for and paying down your debt can help your credit rating.

Financial habits are something to take into account when in a serious relationship and preparing for marriage. According to a recent survey by the National Foundation for Credit Counseling, 68% of engaged couples did not want to discuss financial matters with their future husband or wife before getting married. However, it is a conversation that needs to be had. Consider the following tips for addressing money matters with your significant other:

- Schedule a time agreeable to both to talk about finances
- Be honest about your current financial situation and if necessary, have a plan prepared to rectify past mistakes
- Determine long held beliefs about finances
- Develop short and long term financial goals you can achieve together

Having an honest conversation about money and financial habits may be a better indicator of a significant other's financial future than a credit score on a dating profile.

Tips

Before you go "poppin tags" or thrift store shopping, there are some things to consider when buying clothes or items second hand so you get the most bang for your buck:

- Know the retail price of things – make sure you know if you're getting the item at a discount.
- Check out a variety of stores - browse several stores to compare which places receive the best merchandise.
- Get to know the staff – learn from the staff how the store works so you'll know when the best items come in and when they're placed on the floor for sale.
- Check the merchandise thoroughly – scour items for any rips or tears, but don't automatically discard it if it's less than perfect. Consider creative ways to repair the damage.
- Shop secondhand for more than clothes – check out the accessories and house wares. You might find some good deals on things like purses or plates and glass wear.



Q: : My daughter is leaving for college. Is it smart to co-sign on a credit card for her?

A: Honestly, it depends on the maturity of your daughter. There has to be an understanding that the credit card is for emergencies and a new pair of shoes or dinner out with friends does not constitute an emergency.

Under the CARD Act, anyone 21 or younger needs a co-signer on a credit card. There is benefit to co-signing on a credit card, instead of listing her as an authorized signer on your card.

The length of your credit history accounts for ten percent of your credit score, so helping to build a positive credit history with a credit card may help your daughter after she graduates from college. Make her responsible for some, if not all, of what she charges. Stress the importance of paying the bill on time, which accounts for 35% of your credit score.

If you're leery about sending your 18-year-old to college with a credit card in hand, consider a secured credit card, which is like a traditional credit card, but attached to a savings account.

It's also good to send your daughter off to college with an explanation of budgeting. If you need budgeting assistance, the Agency's Budget Builder tool at www.onlinebudgetadvisor.com is a good way to walk through step-by-step, how to set up a budget. Assist your daughter in figuring out how much money she will need each month for expenses and come up with a plan to meet her needs...a plan that doesn't include charging up a credit card.

Back to School on a Budget

It's hard to believe that August is here, which means time for back to school shopping. Back to school shopping can be a big expense out of your budget, but there are ways to keep your costs down.

The first step in saving money while back to school shopping is take an inventory of what you have. Go through your child's closet and see what still fits. Have your child try things on to see if things are getting too short or too tight. It's a great time to clean out closets as well. Separate the items into keep and get rid of piles and make a list of what will need to be replaced. Try to figure out how many of each item is needed. For example, three new pairs of jeans, ten pairs of socks, seven new shirts. It will be much easier to look at your list while you're shopping to see how many of each item you need to pick up, instead of trying to figure it out in your head.

Set a clothing budget for your child before heading out to the store. Check the sale ads and comparison shop. Make a list and see which store has the best prices on what. Utilize any store coupons or store savings cards that you may have. Factor the discounts into your estimation on what you'll be spending.

While back to school shopping and if your budget allows, check out some of the summer clothes on clearance. Most summer items are deeply discounted at this time of year. See if you can cross anything off your list in the clearance section. You may also want to get a head start on next summer's wardrobe by purchasing items a size or two larger.

If your budget is tighter than usual, consider buying things second hand or selling or trading the clothes your child outgrew. Check out local thrift stores or second hand sales (see the Tips on page one). Gather up a group of friends and

swap clothes your child outgrew.

Now that you know what clothes you will need, figure out what other supplies will have to be purchased. Most school websites provide school supply lists by grade. Get the list and start to tackle it. As you make your list, consider stocking up on items like folders, crayons, glue sticks and pencils. These items are usually discounted for back to school shopping sales and can be purchased for less money now than during the school year.

When shopping for school supplies, consider purchasing items that may last longer, like a plastic folder compared to a cardboard one. It may cost slightly more, but you most likely will not need to replace it during the school year. In addition, if you're shopping for more than one child, consider office supply stores where you can purchase things like paper, notebooks, pens and pencils in bulk. If a new backpack is on your list, see if your child can wait a month or so. Most backpacks go on sale in September after school starts.

After purchasing back to school clothes and supplies, it's a good idea to think about all the activities your child will be involved in during the upcoming school year. In some cases, there is a fee that goes along with these things or purchases to make to participate, like uniforms. Try to get an estimate of how much extracurricular activities will cost and start planning for it your budget.

After school starts, go through your receipts and lists of what you purchased and where from. Notate anything you did this year that worked well. Paper clip your notes and receipts to your datebook or calendar for next year. You'll know what works and you'll have a better idea on how much you can expect to spend and maybe will be able to plan ahead for back to school shopping 2014.

Resources

www.thriftshopper.com – find thrift stores in your area

www.practicalmoneyskills.com – back to school shopping tips

www.onlinebudgetadvisor.com

www.advantageccs.org

The Advantage Challenge

Advantage CCS challenges you to ...check out some thrift stores or resale shops in your area. See what items you can find at a savings. Also, see what items in your home you can resell at a consignment store or resale shop. Don't forget to check out websites like Craig's List or ebay. Let us know how you do. Feel free to include pictures of your bargains. Email hmurray@advantageccs.org with your results.



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