

ACHIEVEments

For Members of the Louisiana Association for Personal Financial Achievement

December 2009

ACHIEVE Members,

Although most people enjoy the spirit of giving at Christmas time, it is also a fact that Christmas shopping can be a significant financial burden for many. This is especially true for those who have a large family or a large group of friends who regularly exchange Christmas gifts. Christmas shopping can also be a financial problem for those who feel compelled to purchase expensive gifts for each person on their list. There are ways to deal with the financial burden which often results from Christmas shopping. One of the ways to deal with this financial problem is to shop throughout the year instead of all at once. Another way to deal with the financial stress of Christmas shopping is to set a budget beforehand.

Those who have concerns over the amount of money they will be spending on their Christmas gifts should consider setting a budget before they begin their shopping endeavor. In order to begin the

process of setting a budget, it is important to first create a list of all the people you intend to buy Christmas presents for this holiday season. This list should include all of your close friends and family members that you typically purchase gifts for, as well as any co-workers or employees.

Once you have your list of gift recipients, there are a couple of ways to go about establishing a budget. Perhaps the simplest way is to decide how much you plan to spend on Christmas shopping and divide this amount by the number of gift recipients on your list. This type of budget strategy may be appropriate if you plan on purchasing similar gifts for everyone on your Christmas list, but it may not work out well if you want to purchase something really special for a few of your closest friends or relatives.

Another strategy for establishing a Christmas shopping budget is to determine how much money you would like to spend and then divide the individuals into different categories. Some of the categories

you might want to include are close friends and relatives, business associates, acquaintances, and gifts which are purchased for people you do not know. Once you have all of the members of your list categorized, you can determine the percentage of your total budget you would like to spend on each category.

A final strategy for establishing a budget for your Christmas shopping is to start out by determining how much you plan to spend on some of the most important people on your gift recipient list. This will most likely include your closest relatives. Once you set dollar amounts for your closest relatives, it is time to divide up the remaining amount of money in your Christmas shopping budget.

Ike DeLee III
Executive Director

Smart Holiday Shopping Takes Planning & Control

You say it every year after the holidays: "Next year, I'm going to spend less money." It's easy to get carried away. It can be just as easy to stay financially fit, even during the busiest shopping season of the year.

The Credit Union National Association, the trade association for credit unions, and the Consumer Federation of America, Washington, D.C., suggest these holiday spending tips:

"Next year, I'm going to spend less money."

- 1** Budget your spending and set goals: Start with a realistic idea of how much you can spend on holiday gifts, food, travel, and so on. Add it up and really give some thought to what you can afford. Think about where you might cut back and stick to your budget.
- 2** Make a list: Shop from a list to avoid impulse purchases that could leave you snowed under in debt at the end of the season.
- 3** Comparison shop: Take the time to find the best deal. Fight the urge to get your shopping over with as quickly as possible and, for the procrastinator: Don't wait until the last minute!

Wealth is not his that has it, but his who enjoys it.

- Benjamin Franklin



*Merry
Christmas!*

- 4** Trim your interest payments: If you must pay with a credit card instead of using cash, use a card with a low-interest rate. Now is a good time to look for a lower-rate card--start at your credit union.

- 5** Open a holiday club account: Put some money in the account each month based on how much you spent this year; arrange to have that amount automatically deducted from your paycheck. This way, next year you'll have all the money you need. Plus, you'll earn interest rather than making big interest payments to finance next year's holiday shopping.

Progress Report

The Board of Directors of La Capitol Federal Credit Union recognized a need for personal financial education in the Baton Rouge Community. The Louisiana Association for Personal Financial Achievement was incorporated in November of 2008 to fulfill that need. The Louisiana Association for Personal Financial Achievement, or ACHIEVE, was insured in April of 2009 and started providing personal financial workshops.

Workshop Topics

Setting Financial Goals
The Spending Plan
The Savings Plan
Managing Personal Accounts
Managing Credit and Debt
Understanding Your Credit Score
Financial Survival for Students
Identity Theft
First Time Home Buying

Groups Hosting Workshops

- Louisiana Teachers Retirement System
- Southern University Navy ROTC
- Southern University Full-Time Fathers Group
- Louisiana Department of Revenue
- St. John the Baptist Catholic Church
- United Way
- Faith, Love, and Hope Ministries
- Northwestern State University

Protect Your Financial ID This Holiday Season

It only takes a few seconds to become a victim of financial fraud. But it often takes months to recover.

Armed with discarded credit card receipts, checks, or deposit slips, today's crooks are making unauthorized transactions from victims' accounts, and even opening new--fraudulent--credit card and checking accounts.

There are steps you can take to prevent your identity from theft.

- Examine all your financial statements. Promptly reconcile your monthly share draft account statement. Save check stubs and credit, debit, and ATM (automated teller machine) receipts. Report discrepancies between your records and monthly statements to the appropriate company. Check credit bureau reports at least once a year.
- Limit the paper trail. Store receipts and share draft carbons in a safe place. Or rip them up, especially areas where account numbers are visible. Destroy blank checks from closed-out accounts and expired or unused credit cards. And tear up any credit card receipt carbons.
- Guard your purse or wallet. Thieves often target unoccupied vehicles, unlocked office drawers, and health club locker rooms.
- Protect your personal identification number (PIN). Never keep your ATM PIN in the same place as your card.
- Beware of phone scams. Never give your PIN or any other personal financial information to an unknown caller.
- Check your mail. If you haven't received mail for a few days, you may be the victim of mail diversion fraud. This scam involves a crook forging an individual's signature on a change-of-address form to divert your mail and obtain financial information. If you suspect your address has been changed without your permission, contact the post office.
- Track financial statements. Find out when financial statements and plastic cards are due to arrive. If they're late, contact your credit union or appropriate issuer.
- Protect yourself online. New technology allows online vendors to assure customers reasonable security from online theft. If you doubt the security of the vendor, order the items over the telephone.

Smart Online Shopping

- Stick with companies you know and trust.
- Use a secure browser – look for closed padlock or unbroken key in browser window frame, not on payment page.
- Check the site's privacy policy before sending personal information.
- Watch for "refurbished," "close out," "discontinued," or "off-brand," and check whether the item comes with a warranty when on Internet auction sites.
- Read and understand refund, restocking, and shipping policies.
- Pay only with a credit card or with third-party intermediary, such as PayPal.
- Make sure URL changes from http:// to https:// before you pay.
- Never send financial information via e-mail unless you know it's secure.
- Keep a paper trail – print and save records.
- Review monthly statements for errors or unauthorized purchases.



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