



The Balance Sheet

The Balance Sheet newsletter is produced quarterly by Cornell Cooperative Extension's Family Economics and Resource Management (FERM) Program Work Team

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"Summertime ... and the living is easy" or so the song lyrics go! Among other things, this is a good time of year to review your insurance needs and your use of credit. Hopefully your summer will be an enjoyable one filled with family, friends and happy memories. We hope that you find the articles in this issue reinforce those outcomes and that you have a safe, relaxing and money-savvy season!
— The FERM Program Work Team

Team members include Barb Henza, Cortland County; Nancy Reigelsperger, Steuben County; Linda Law-Saunders, Washington County; Maria DeLucia-Evans, Albany County; Theresa Mayhew, Columbia & Greene Counties; Valle Castner, Yates County; Sean Welsh, Sullivan County; Joe Laquatra & Mark Pierce, CCE Environmental Design & Analysis, Cornell University; and community member Ann Gifford, Tompkins County.

Protecting Your Assets While on Vacation

By Maria DeLucia-Evans, Community Educator, CCE Albany County

Summertime is here, and that hard-earned vacation is calling your name. Whether it's just a few days, a week, or longer, we are all looking forward to taking a break and relaxing away from the regular hum of our lives. While you are making plans and packing up your bags, don't want to forget about one important task on the 'to-do' list: protecting your home and assets while you are away. Follow the tips in the three categories below to ensure all is safe while you travel.



Make it Look like You Haven't Gone Away

You may have gone away, but your home doesn't need to look vacant. If you plan on being away for more than three days, call your local post office and put a hold on your mail. This free service offered by the US Postal Service will hold your mail from three up to 30 days. A hold will make sure mail isn't overflowing in your mail box.

The same goes for your newspapers: place a hold on delivery until you return. If you still receive a home-delivered paper, you don't want it piling up on your doorstep while you are gone.

Timers on lights can be a low-cost investment that makes it look like your home is active, and lived-in. You can also enlist the help of a neighbor or friend to look in on your place and make sure all looks fine. Knowing someone is checking on your home can give you peace of mind.

If you plan to be gone for an extended period of time, it may be worth it to have someone house-sit for you. This person, friend or hired help can water your plants, mow your lawn, and oversee anything that may come up while you are gone.

Don't Announce You are Leaving on Social Media

You may be excited about your upcoming adventure, but there is no need to broadcast your departure on social media. And while you are traveling, be careful about posting your photo and status updates on Facebook, Twitter and Instagram. Your friends will enjoy scrolling through your trip photos just as much after you return home. This is especially important if you don't have someone housesitting for you.

Insurance 101

By Nancy Reigelsperger, Financial Management Educator, CCE Steuben County

When buying any type of insurance (home, life, auto, rental, disability, or health) you should check several sources for the best deal. Shopping around and getting several quotes could save you hundreds of dollars. Research the complaint record of the company or find out what others think about the company's customer service. Make sure once you pay your first insurance premium you receive a written policy. This tells you that the agent has forwarded your premium to the insurance company.

Term life insurance is the most common life insurance policy, but not one that helps build savings. You pay a fixed premium toward a specific payoff over a specific period of time. If you die during that period, the insurance company pays the promised amount to your beneficiaries. When the policy reaches its deadline, the coverage ends. If you outlive the coverage or if you cancel the policy, you don't get any money back. There is no savings element with term insurance, there's only a death benefit. Insurance companies also offer permanent insurance, policies that cover you for life and provide a tax-deferred savings opportunity, provided you continue to pay the premiums. Three prominent variations of permanent insurance are whole life, universal life and variable life.

With permanent insurance there's an investment component to build cash value in addition to the death benefit. A policy's face amount is the money that will be paid at death or at policy maturity. Cash value is the amount available if you die or surrender a policy before its maturity. The cash value grows tax-deferred until you withdraw it. You can borrow against the cash value for any purpose, but you'll have to repay it or your beneficiaries will receive reduced benefits. But building cash value means higher premiums, so these policies are much more expensive than term insurance. Whole life provides you with a guaranteed death benefit and guaranteed rate of return on your cash values. You pay a set premium that is guaranteed to never increase.

Let Your Financial Institutions and Credit Card Companies Know

If you haven't traveled in a while, your credit card company may decide there's suspicious activity when you try to use your credit card in that distant beach town. Letting your credit card companies and banks and/or credit unions know you'll be out of town, will prevent your accounts being frozen from theft alerts.

New Website Helps Consumers Recover from Identity Theft

By Barb Henza, Accredited Financial Counselor, Financial & Consumer Educator, CCE Cortland County



Another data breach made the news recently, this one involving the IRS. Data breaches are generally defined as an incident where an individual's name plus a Social Security number, driver's license number, medical record or financial records are put at risk. Over the last ten years there have been over 5,000 reported data breaches where the information exposed has the potential to result in identity theft.

Identity theft is one of the most common and costly financial crimes in the United States. In 2014 the Federal Trade Commission (FTC) received more than 330,000 complaints from consumer who were victims of identity theft. Someone who has their identity stolen can expect to spend literally hours working to resolve the mess created. To help consumers deal with identity theft the FTC recently introduced a new website, www.IdentityTheft.gov. The home page is broken into three categories: what to do right away, what to do next, and other steps to take. A link is provided at the top of the page specifically for those who have received notice of a data breach. The page also provides information on your rights in the event your identity is stolen, sample letters that can be used to resolve the issue, the warning signs of identity theft and a section on what to do if your information is lost or stolen.

Under what to do right away, there were four steps listed. Clicking on the plus sign next to each step will bring up the information needed to complete that step. For example, under Step One: Call the companies where you know fraud occurred, it directs you to call the fraud department, explain that you are a victim of identity theft and request that they close or freeze the affected accounts. It also directs you to change logins, passwords and PINS for the accounts. Step Two directs you to place a fraud alert in your credit file and to get a copy of your credit report. Information on how to do each of these is provided along with some additional information. Step Three walks you through how to report the identity theft to the FTC with links to the online complaint form and the FTC Identity Theft Affidavit. Step Four details how to file a report for identity theft with local police.

The second section on the home page deals with what to do next. This section will be the most time consuming as it deals with the actions necessary to start to repair the damage that may have been done. It walks you through the process of closing any new accounts that may have been opened in your name, how to get fraudulent charges removed from your accounts, correcting your credit report and placing an extended fraud alert or a credit freeze on your credit report. Sample letters are provided for each step along with the contact information for each of the three national credit bureaus: TransUnion, Equifax and Experian. An option to print the checklists and forms is also offered in each section and could be used as a record of the actions you have taken as you work to resolve the issue.

Liability coverage on automobiles is a requirement in NY State. To save on the cost of premiums, you might consider raising your deductible on collision and comprehensive coverage. If you have an older car, you might want to drop this coverage altogether. You might also be eligible for other discounts based on the number of miles you drive, your age, driving record, and your cars' safety features. You might be able to get discounts if you insure your vehicles and home with the same company.

When purchasing homeowners or renters Insurance, make certain you purchase enough coverage to replace what is insured. "Replacement" coverage gives you the money to rebuild your home and replace its contents. An "actual cash value" policy is cheaper but pays the difference between your property's worth at the time of loss minus depreciation for age and wear. Remember to ask about any special coverage you might need for things like antiques, jewelry, collections or musical instruments.



CCE of Steuben County offers a range of classes that can help you to manage your home finances effectively.

Free Class to Help Make Ends Meet

Are you finding it a tight squeeze? Tell your money where to go instead of asking where it went! A fun, free, workshop to help you get control of your money. Learn about goal setting, budgeting tips, cash tracking.

Credit: Are you spending tomorrow's dollars today?

Let us help you get in control. You will learn how to understand the fine print, how to prioritize bills when money is tight and learn how your credit report impacts you.

Habitudes

We can help you find your money personality! See the hidden forces that are affecting your money choices.

And many more...visit our website at [PutKnowledgeToWork.org!](http://PutKnowledgeToWork.org)

The site lists several of the warning signs of identity theft as a link on the bottom of the page. Among them are withdrawals from your bank account that you can't explain, not receiving your bills or other mail, getting calls from debt collectors about debts that aren't yours, unfamiliar accounts or charges on your credit report, bills from medical providers for services you didn't use, or the IRS notifies you that more than one tax return was filed in your name or that they have a record of income for you from an employer you don't work for.

The final section walks you through what to do if your information was lost or stolen. The actions in this section are based on the type of information stolen: Social Security number, login or passwords, debit or credit card, bank account information or driver's license. It follows the same format as the rest of the site, clicking the plus sign next to the type of information takes you to a check list to follow to minimize the risk of the information being used in identity theft.

Cash vs. Credit? Which is Better?

By Linda Law-Saunders, Family & Consumer Sciences Educator, CCE Washington County



It is much easier to carry just a few dollars and a credit card around rather than a wad of cash. However, credit cards can be very costly when they are used to buy things that you cannot afford.

It is so easy to say "put it on my card" when you don't have the cash. Yet, by the time you get your statement, you have forgotten to put the amount aside to pay for the bill. Now you can only afford the minimum payment. Paying only the minimum payment will cost you more money than you actually paid for the product! This is because of interest.

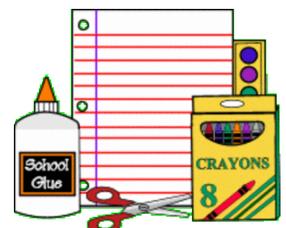
If your payment is late -- past the due date -- there may also be fees added to your balance. Late fees can cost up to \$35 per month. If you charge amounts which exceed the card limit, you could also have an over-the-limit charge added to your balance.

Credit cards can also be part of an identity theft concern. Cash and credit cards can be lost or stolen. However, cash doesn't carry all of the potential concerns which credit cards do.

Get an "A" in Back to School Shopping

By Theresa Mayhew, Resource Educator, CCE Columbia & Greene Counties

For many kids, what's really exciting about heading back-to-school (in addition to seeing all their friends) is getting new clothes, shoes, lunch boxes, backpacks, notebooks and calculators. The problem is all that new stuff can add financial stress to already stretched household budgets. Retailers can get pretty aggressive with their back to school mar-



but use the competition between discount and big box stores to your advantage. Before you head out, go through your child's wardrobe to see what fits and what doesn't. Likewise, before stocking up on school supplies, get the list of needed materials from your child's teacher so you don't make unnecessary purchases. Don't forget to scout around your home to see what you already have on hand.

Organize a Back to School Swap

Round up neighbors, friends and relatives who have young children and begin a swap group. Send out invitations with a time and date for everyone to meet and bring their children's clean, lightly-worn, outgrown clothing. Separate the clothing by gender and size. Draw numbers to determine who goes first, and then have everyone, in order, choose a piece of clothing from the respective piles. Then the next person, then the next and so on, until all the desired pieces have been selected.

Shop the Outlets

Outlet mall shopping is a great way to increase the "bang" for your buck. You can save 20 to 70 % or more, even on designer brands. Many outlets have coupons and customer appreciation programs that provide discounts. Be sure to check for slightly irregular merchandise, not an uncommon finding at outlets. Usually these irregularities aren't very noticeable, but as with any purchase, inspect it thoroughly before you buy it.

Don't Forget Consignment Shops, Thrift Stores and Garage Sales

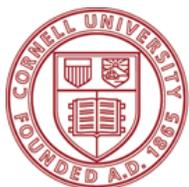
Consignment shops are great options to help keep back-to-school expenses in check. Not only can you find new or next-to-new clothing at great prices, you can bring your own child's outgrown but gently used clothing there to sell. Thrift stores also hold great potential as they many times receive brand new previous season clothing from retailers. Garage sales can be a fabulous source for book bags, lunch boxes, clothing, binders, notebooks, and dictionaries. Even college-bound students can find calculators, furniture, luggage, linens and other useful items at a fraction of the original cost.



Divide and Conquer

Join forces with other moms to comparison shop and track down needed supplies at the best possible prices. Scour store flyers and use online coupons for the best savings. To help save time, resources and money, split up the list between you and your mom friends. Many times buying in bulk for these types of products makes good sense, so you can be in charge of buying glue sticks and notebooks, while another mom tracks down crayons and pencils, and so on.

According to the National Retail Federation, American families were projected to spend about \$635 on back to school shopping for their children in 2013 or a total of \$26.7 billion for all families with K-12 children. That's no small chunk of change. Add in college-aged kids and that number swelled to \$72.5 billion. All the more reason to do what you can to do to keep expenses as low as possible for the new school year!



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Cornell Cooperative Extension puts knowledge to work in pursuit of economic vitality, ecological sustainability and social well-being. We bring local experience and research based solutions together, helping New York State families and communities thrive in our rapidly changing world.



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