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## **DEPARTMENT OF CONSUMER AFFAIRS OFFERS NEW YORKERS "HOMEWORK" TIPS FOR SMART BACK-TO-SCHOOL SHOPPING**

### ***Parents Can Also Get Free, Individualized Personal Finance Counseling at the City's Network of Financial Empowerment Centers***

Ready or not, back-to-school time is fast approaching for New York City students. Before families begin to spend their hard-earned money on back-to-school needs, New York City Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz is providing pointers on how to be smart spenders.

"Back-to-school time means back-to-school shopping first," said Consumer Affairs Commissioner Jonathan Mintz. "By keeping these tips in mind and doing a little bit of 'homework,' parents can make the most of their money and help their kids become smart shoppers, too."

Commissioner Mintz issued the following tips to help parents manage their finances during the back-to-school shopping season:

### **QUICK LESSONS FOR BACK-TO-SCHOOL SHOPPING**

- **Receipts for beginners.** Ask for a receipt and save it. In New York City, you are entitled to a receipt for purchases of more than \$20. Protect your personal information—by law, a customer's receipt must not show the credit card's expiration date or more than its last five digits.
- **Credit card curriculum.** If you pay for back-to-school purchases with a credit card, read the fine print, know your credit limit and pay your balance in full. If you exceed your credit limit or pay late, some interest rates can skyrocket to 30 percent or higher.
- **Refund refresher.** Shopping for back-to-school supplies? Check store refund policies. Stores must post a sign detailing their policy. If they don't, you are entitled to a refund within 20 days of your purchase.
- **Crash course in electronics.** Many electronics stores charge a "restocking" fee for items returned in an opened box. The fee, which can vary, must be disclosed in the store's refund policy.

### **FINANCIAL EDUCATION OPPORTUNITIES**

Back-to-school shopping can put a strain on many working families and their budgets, but now it's easier than ever for parents to get financial help. New Yorkers can access free, one-on-one financial counseling at one of the City's Financial Empowerment Centers, administered by DCA's Office of Financial Empowerment (OFE). At a time when many New Yorkers are finding it harder to make ends meet, the counselors at the City's Financial Empowerment Centers will help with money management,

budgeting, financial planning, credit counseling, negotiating with creditors, finding affordable banking services, government benefit screenings and referrals to other services and organizations. Counseling services are also offered in Spanish. City residents can call 311 or visit [www.nyc.gov/ofe](http://www.nyc.gov/ofe) to set up an appointment with a financial counselor.

DCA's OFE issued these tips to help parents turn back-to-school shopping into an opportunity to teach their children smart money management:

### TEACHING YOUR KIDS TO SAVE WHILE THEY SPEND

- **Budget or bust.** Creating a budget and sticking to it is essential. Teach your children to recognize how their “needs” and “wants” may differ. Tell them about the tough choices you sometimes make to stick to your budget. Show your children how to spend responsibly and include them in spending decisions that affect the whole family. If your kids have a job or earn an allowance, teach them how to budget this money through a spending and savings plan. This will help them make better financial decisions in the future.
- **Stress saving.** Saving is important, even in small amounts. Save a little each month and eventually you will have a large sum. Explain to your children why they should put money into savings first, for a “rainy day,” before spending it. Though they may *want* something now, they will probably *need* something later. If your children do not have savings accounts, bring them to a bank or credit union to open one and to make deposits to it, forming a smart habit at a young age.
- **Credit card 101.** Teach your children about credit and how it works. Explain to them that a credit card is not “free money” and that charges must be paid back with interest. Tell them about the consequences of using a credit card irresponsibly.
- **Compare prices to save.** Help your children recognize the importance of reducing expenses whenever possible by including them in shopping or coupon-cutting. Take them along to the grocery store and ask for their help in finding the best deal on a certain item through comparison shopping. You can even let older children try to do the shopping on their own while staying within a given budget.
- **Lead by example.** Show your children how to make smart financial choices. Kids learn a great deal by observing their parents.

Parents can download a copy of these tips online or request copies of *Back-to-School Shopping Tips* or *Smart Money Lessons for Your Kids* by calling 311.

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses, DCA licenses more than 70,000 businesses in 57 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. DCA's Office of Financial Empowerment is the first municipal office of its kind in the nation with a mission to educate, empower and protect New Yorkers with low incomes. DCA's OFE administers a citywide network of Financial Empowerment Centers and other products and services that help these New Yorkers

make the best use of their financial resources to move forward economically. For more information, call 311 or visit DCA online at [www.nyc.gov/consumers](http://www.nyc.gov/consumers).