



FSA brings you News you can Use

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FSA Helper Site

not a NHCO sponsored site
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Learn a lot weekly from the new BLOG

FSA Saver Highlights:

Open Slots available 80
Graduates 96
Current Savers 53
Reached Goal 14

529 GSP + FSA = *great deal*

College tuition increases have been in the news following Penn State's announcement of another 5.9% increase. Typical year-to-year increases range from 3% to 6% for post secondary education. Adding year-to-year national inflation rate increases of 2% to 3% onto tuition increases produces an **overall increase of 5% to 9%**.

The savvy student or family has started saving or **prepaying** for credits right NOW.

Prepaid college credits are exactly what the 529 Guaranteed Saving Plan (GSP) is all about. Buying

credits at current rates, but using them many years later, produces a "guaranteed" savings of 5% to 9% **each year**. Those percentages are a much higher return on investment than any CD, money market, or savings account, which are paying poorly.

HOWEVER, if a GSP account is opened and is NOT connected with the FSA program, fees of 4% eat most of the profit.

In other words, opening a 529 GSP through FSA provides you with a "no-fee" account, making safe and guaranteed school saving a "no-brainer."

PA State School's Cost per Credit

1997.....	\$140.33
2005	\$215.71
2010	\$231.42

12 credits per semester is a minimum for Full Time students. (24 per year)

PA's other 529 plan is an investment plan. Sadly, here too, even with the same options as other states' plans, PA's fees are higher- 0.53% per year.

The identical plan from Ohio can be used in any post-secondary schools across the nation, has all the same benefits of the PA plan, but charges less in fees – only 0.32% per year.

National Tuition & Inflation History

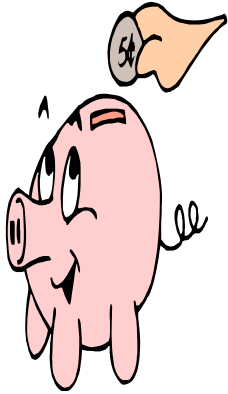
Year	College Inflation	General Inflation
1958-1996	7.24%	4.49%
1977-1986	9.85%	6.72%
1987-1996	6.68%	3.67%
1958-2001	6.98%	4.30%
1979-2001	7.37%	3.96%
1992-2001	4.77%	2.37%
1985-2001	6.39%	3.18%
1958-2005	6.89%	4.15%
1989-2005	5.94%	2.99%

Source: www.finaid.org - A good rule of thumb is that tuition rates will increase at about twice the general inflation rate.

Saving Money on Education

- Spend LOTS of time Researching & Applying for Scholarships**
 - Each public library has resource books updated yearly.
 - www.FSAMoneyPA.com has a "College Packet with scholarship search links.
- Community College for first two years**
Not only are tuitions cheaper, but most have **ARTICULATION AGREEMENTS** with state or local four year institutions. Many call this the "2 + 2" plan. Two years at a community college following the future college's class plan, then two years completing the degree at the main campus.
- BOOKS** – a huge expense – are cheaper bought online or elsewhere USED.

Saving Money in a poor economy



“Some 63 percent of all U.S. consumers are changing their habits with regards to their money. – Nielsen.”

Statistics are showing that Americans (even teens) are spending less. Maybe, *for a change*, the “*wisdom of the masses*” is good advice. Cutting spending and saving more has become a new trend. **In fact, American “saving” behavior is at a new high.**

As a nation, we are turning to old values, “*A penny saved, is a penny earned.*”

Trends in the *new* - **ART of SAVING:**

- **Cutting Spending**
- **Paying down debt** – because interest charges on debts is higher than the interest earned in Savings Accounts (Averaging only .23% or less), CD's & Money Markets (Averaging only 1% or less)
- **Planning for Spending**
 - COMPARATIVE SHOPPING - *Effort & Internet based* – (see article page 4)
 - BUDGETING for non-monthly expenses

- EMERGENCY FUNDS – as *credit* used in an emergency carries a high interest rate.
- “CREATIVE” GIFTING – i.e. a service, favor, or hand-made item instead of a store gift.

● Investing for Goals

- EDUCATION - 529 plans
 - RETIREMENT - IRA, 401k
- Get good advice by listening 5 min. a day at <http://wiserwomen.org/index.php?id=348> (ignored being referred to as a nurse)

● Investing for Income

This area has had the least change. **However, lower risk investments and inflation resistant investments are more popular.** These lower risk options are often chosen as a packaged Mutual Fund as well.
i.e. Vanguard Inflation-Protected Securities Fund (VIPSX) or bond fund.

Weird name... GREAT Saving Option... SMARTY PIG



2.15%

We're ½ way to Christmas!

Use the retail partner bonus for gift cards.

WHAT IS A SMARTYPIG?

It's a “saving program” which is FDIC insured through its financial partners, West Bank & BBVA Compass.

It offers MUCH higher interest on savings accounts, *and has for years*. The current rate, as of July 14, 2010 is **2.15% APY**.

Savers designate GOAL(S) when they open an account, along with the amount to be automatically transferred from a saving or checking account (ACH).

Limitations, Minimums and Maximums:

- Minimum for a Savings Goal is \$250.00.
 - Maximum is \$250,000.00.
- Initial deposit minimum is \$25.00
 - Maximum is \$50,000.00.
- Each Savings Goal may have a recurring contribution. **The minimum is \$10.00**
 - Maximum is \$50,000.00.

Once you have met your savings goal your automatic monthly contribution will stop. Your funds will continue to earn interest until you choose to stop your goal. When closing a Savings Goal online, the account holder

has three no cost options to receive their funds.

1. The customer can choose to place their savings plus interest on a SmartyPig MasterCard® Debit Card,
 2. Order a gift card from a partner retailer – **which ads a bonus percentage**
 3. Transfer the funds back to their ACH account,
- OR - A combination using all three.

FSA STAFF RECOMMEND THIS IS AN OUTSTANDING OPTION FOR AN EMERGENCY FUND.

Find SmartyPig at: www.SmartyPig.com

The following is quoted from SmartyPig; “If you really, really, really need to contact us and e-mailing SmartyPig Customer Support just won't do, you may call us at 888-567-6278 between our normal business hours of 7 a.m. and 8 p.m. CST Monday through Friday, or 7 a.m. and 2 p.m. CST on Saturday.

Pittsburgh Job Market (note: pre-recession = before 2008)

Source: Pittsburgh Today & DOL statistics

Jobs nationally are measured by major “regions” in different sub-parts of the country. When the news reports “national” figures on job growth or loss, it may or may not provide relevant information for the local Pittsburgh Region.

So, what is really happening with jobs in the Pittsburgh Region? During April and May, many regular seasonal jobs were added. However, when this seasonal job growth is compared to pre-recession (pre- 2008) seasonal hires, 33,800 fewer jobs (2.9%) were added. Also, 2,800 of the above jobs were temporary Census jobs.

Compared to other regions, the Pittsburgh area has

adding **FEWER jobs in the following areas:**

- Education
- Health services
- Manufacturing
- the information sector
 - Newspapers,
 - Television and radio
 - Internet providers, etc.
- Financial services
- “other services”

The lowest job rates have been in **Education and Health Services**. Health Services is showing little growth and **Education is showing negative growth**, with at least 1800 in job losses. IF the area was keeping pace with the nation, 4800 more jobs would be available.

In the past year, May to May, Pittsburgh’s only job **growth**

has been in “Government” (temporary Census jobs) and in the “Retail” sector.

Let’s hope the private sector begins growing jobs.



www.FSAmoneyPA.com will Advertise Your Business

Resource partner www.FSAmoneyPA.com will advertise any business owned by a FSA saver or graduate (former saver).

If you are interested, please send an email, fax, or snail mail with the following information:

1. Your Name
2. Your Business Name
3. Your product or service
4. Your Logo (optional) ---- call Marleen if you need help with this.
5. Your contact information FOR POSTING ON THE SITE: i.e. email, phone
6. A “reasonably lengthed” list of your products or service description and pricing
7. Send to Marleen at marleenk1@verizon.net or call 412-366-7113

Watch for the new “Saver Businesses” tab on the site & please....

SUPPORT YOUR FELLOW FSA SAVERS.

(FSAmoneyPA is not a NHCO sponsored site, it’s a resource for **all** of PA’s FSA savers)

Comparative Shopping Using EASY tech for HARD Savings

Internet and cell phone technologies have opened the opportunity for easy, quick comparative shopping. (it's even worth the trip to your local library's computer)

Except for grocery shopping, hard goods at a bargain price have never been easier to find. Knowing HOW to search the internet and which sites to use makes everyone a shopping expert.

Here are a few base facts.

- ◆ Many shopping searches “feed” off a few MAIN ones.
- ◆ Always include shipping costs (unless free is offered)
- ◆ If you don't know the company, check first with www.bbb.org (Better Business Bureau).
- ◆ Tax is charged for in-state Retail locations.
- ◆ Use a few pricing searches – as not all searches cover the same stores.
- ◆ Before purchasing, open a new window and check for a discount code or coupon

code at:
www.couponmountain.com
or
www.retailmenot.com
Enter the name of the store to locate possible discounts.

The current pricing search engines with the most stores are:
www.froogle.com or
www.google.com/products
www.thefind.com
www.pricegrabber.com

A good tech tool that does the work for you (over time) is www.google.com/alert This “alert” is exactly as it sounds. Have an alert for price drops sent directly to your email. Links in the email make the alert easy to delete (stop) at any time.

Also, as holidays approach, it is always a good idea to subscribe to your favorite retailer's email for special coupons and promotions. Just unsubscribe afterward.

Credit Score vs. Action

FICO rarely gives exact examples of how your credit score is actually affected by certain actions. When they did, we couldn't resist sharing the information here. The following is gleaned from www.myfico.com/CreditEducation/Questions/Credit_Problem_Comparison.aspx

Please read the entire article at the above link.

	Alex	Rebecca
Current FICO score	680	780

Score after one of these is added to credit report:

	Alex	Rebecca
Maxing out a credit card	650-670	735-755
A 30-day delinquency	600-620	670-690
Settling a credit card debt	615-635	655-675
Foreclosure	575-595	620-640
Bankruptcy	530-550	540-560

Settling a credit card debt means that the lender agrees to accept less than the amount owed on the account. A settled account shows a higher level of risk and typically happens only when an account is overdue.

FICO's new Credit Card Comparison Site

This is a nice surprise. Although it is based on CardHub, which is also a good site, I like its ease of use. In addition, the FICO site does not have distracting advertising.

If you are looking for a card to establish, or re-establish credit, the reviews clearly state which cards are reported to the credit bureaus – A VERY IMPORTANT DETAIL.

The FICO “Education Center” is just one tab click away. Everything you need to know about credit at one site: www.myfico.com

Household Tips

😊 Doing some nailing? Use a children's fork to hold the nail while nail starting. No more finger bashing.

😊 Doing a messy or greasy job? Using hand cream BEFOREHAND will make cleaning cuticles and fingers easier afterward.

😊 Open those hard plastic sealed packages with a hand held can opener, not scissors.

😊 Download cost free audio books from your library (with card). “Listen” while you work!

New Finds

www.glassdoor.com
A free inside look at over 84,000 companies. Reviews & more posted anonymously by employees.

www.snagajob.com
Touts it's the number one source for hourly or part-time employment.

www.aicr.org/site/PageServer?pagename=reduce_diet_recipes_test_kitchen
The AICR Test Kitchen. Taste tested recipes that reduce the risk of cancer.

www.trustlink.org
This service allows you to get in touch with BBB member companies that specialize in all trades.