



DEBT FREE AMERICA.COM



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The Debt Free

LIFE

HELPING OUR CLIENTS BREAK FREE FROM DEBT. IT'S WHAT WE SAY, WHO WE ARE, AND WHAT WE LIVE FOR!

Through a Child's Eye The Value of a Dollar

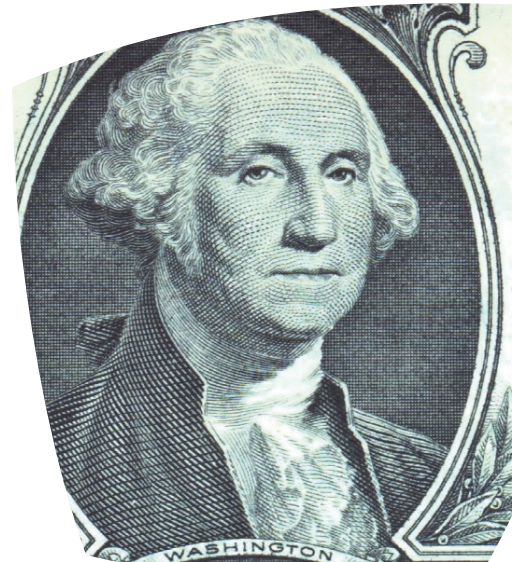
The other day I overheard a conversation between 2 parents about their children and the Tooth Fairy. I started to tune them out, but they began discussing the monetary value of teeth. One mother stated that her child wanted \$25 for her tooth! It has been a long while since I was a child, but that seemed rather steep to me even with inflation. The mother then went on to say that her other child was satisfied with the \$1.00 per tooth that she was given.

To say that most children don't understand the value of a dollar is an understatement. Twenty-five dollars per tooth? Maybe it's time that we taught our children how hard it is to earn that dollar. Whatever happened to doing chores, babysitting, or getting a part-time job to earn money?

Looking back on my early years, I know

that my monetary philosophy is rooted in experience learned through doing chores, then moving on to babysitting and then getting a part-time job while in school. I only wish my parents had taught me more about what they earned and how they budgeted their salaries. That information is what helps you when you are newly married and struggling.

So parents, do your children a favor. Make them do chores to earn their spending money. Make them open a checking and/or savings account. Show them how you budget your money. Let them know that saving up to buy something is worth it to avoid debt. Teach them to appreciate how hard it is to earn, yet too easy to spend. Teach them the value of a dollar and just maybe they will be wise in the way they save and spend their money.



Congratulations to Dodi Weisz of Carrington, ND. She is the winner of our iPad contest.



Scams and Frauds Warning!

Survivors of the storms and tornadoes that struck the southeastern section of the country are being urged by the Federal Citizen Information Center to safeguard themselves against another misfortune: disaster-related fraud. Unscrupulous people could be circulating in storm-damaged areas devastated by the storms trying to get residents to pay for disaster assistance or for fraudulent repairs. Go to www.pueblo.gsa.gov/scams for more information.



Cashless shopping is convenient and there is no doubt it comes in handy whenever you don't have the cash to spare for those "unexpected" expenses or "must have" indulgences. Unfortunately, life is not that simple and just a few of those so called must have impulsive purchases can, over time, lead to a huge credit card debt and eventually the piper comes calling. At some point, you must face the fact that you have to put the plastic down, exercise discipline and get serious about finding effective ways to manage your debt.

The good news is that you've made the most important step and you've realized that you need to

DEBT

Get control of IT before it gets control of YOU!

do something about it. Reality has finally come crashing down. The next step is that you must cut all ties with your credit cards and get serious about debt management. Now you must focus on a solution.

You have to **think realistically** when it comes to debt management; acknowledge a realistic timetable of how much you'll be paying and for how long. You didn't acquire your debt overnight and you're not going to pay it off overnight either.

What you need is a good **debt management plan** and you can certainly find a reputable company (such as ours) to help you achieve your goals. If you still want to keep a credit card active for emergencies, then that's ok. The rest should be closed.

You will need to set up a

budget and track your expenses so you know exactly what it costs you to live each month. You'll be amazed at how much you spend on frivolous and unnecessary items when you see everything in black and white.

A good budget will also help you stop buying on impulse since this is where so many people usually use their credit cards. Before buying anything, you must ask yourself if you actually need this product. If it's just a luxury or a "want", look at your budget and perhaps every 3 or 4 months you can buy a little something extra if it fits into your overall debt management plan.

I hope you've gotten something useful from this article that you will be able to put into practice and allow you to take control of your debt.

**Think Realistically
Plan
Budget**

VISIT DEBTFREEAMERICA.COM

Letter From Our President



**DEBT FREE
AMERICA.COM**

DebtFreeAmerica.com is continuing its mission to help those out of debt. In April we rolled out our new Benevolence Fund. If you are a DebtFreeAmerica.com client and you have a hardship that is preventing you from making a payment, please see the details of the program below.

The rules are as follows: 1. Applicants are eligible after **12 months** of successful payments. 2. Applicant may not be more than two payments past due. 3. Applicant understands that this is a **request** for monthly payment assistance. DebtFreeAmerica.com does not guarantee applicant will receive assistance. 4. DebtFreeAmerica.com considers applicants on a monthly basis. 5. The monthly maximum assistance amount DebtFreeAm-

erica.com can contribute is the lesser of the client's monthly payment or \$500.00. 6. Applicant is only eligible for a maximum of three payments over the life of the program. 7. Applicants must sign and agree to the Benevolence Form rules.

Due to the high amount of applications expected, applicants will be entered into a lottery and 10 clients per month will be drawn to receive a one-time grant. Clients will be notified by email or phone that they have been awarded the grant. Sorry, but no calls will be accepted to find out if they have been awarded. Rest assured we will notify the client if they have been awarded.

This Benevolence Grant is another step we are taking to fulfill our mission to get people out of debt.



Dear Friends:

I've heard from many of you about the skyrocketing gas prices and I understand the strain that these dramatic increases are placing on family budgets.

Finding the lowest gas prices in your area and researching alternative ways of reducing your fuel consumption can help ease the burden of these cost increases.

Finding the lowest prices in your area will ensure immediate savings at the pump. The URL at the bottom will allow you to find the lowest gas prices in your area in a fast and convenient way.

I would also recommend the Department of Energy's guide to fuel economy. It offers several helpful tips that will help you reduce your fuel consumption and maximize the gas mileage in your automobile.

I am a strong advocate for an "all of the above" approach to energy, and I believe the United States should lead the world in producing the clean, safer fuels of the 21st Century.

I hope these resources help you reduce your fuel costs and drive in a smarter, more wallet-friendly manner. If you have any questions or comments, please do not hesitate to contact my office.

Sincerely,
Senator Mark Warner –D (Va)
<http://classic.gasprices.mapquest.com>

DID YOU KNOW:

The first word search-puzzles appeared in the late 1960's!

DEBT WORD SEARCH

Can you find all the words?
They may be horizontal, vertical or diagonal, forwards or backwards

- | | |
|--------------------------------|--------------------------------|
| ABUSE | IMPULSE |
| AMERICAN EXPRESS | IRS (INTERNAL REVENUE SERVICE) |
| APPLICATION | LATE |
| ARREST | LAWS |
| BALANCE | MASTERCARD |
| BILLS | OWE |
| CARD | PAYDAY |
| CASH | POINTS |
| COLLECT | RATES |
| CONFIDENTIAL | REPORT |
| CONSOLIDATION | REPROCESS |
| DEBT | REWARDS |
| DECLINE | SAVINGS |
| DISCLOSURE | SCORE |
| DISCOVER | SECURE |
| EMERGENCIES | SETTLEMENT |
| FEE | SHOPPING |
| FISCAL | TAX |
| FTC (FEDERAL TRADE COMMISSION) | VISA |
| HOMELESS | |

S T N E M E L T T E S C O R E
 S S E C O R P E R V I S A T E
 E E E R U C E S G N I V A S F
 L R N R E V O C S I D L L I H
 E R I E P A Y D A Y A U S S N
 M A L W O X F T C I P C H E O
 O T C A I A E I T M A T O I I
 H E E R N T R N I L S R P C T
 T S D D T S E G A W L O P N A
 C U R S S D E B T C L P I E C
 E B A C I T S A L P I E N G I
 L A C F E C N A L A B R G R L
 L A N D I S C L O S U R E E P
 O O W E D R A C R E T S A M P

Raising a Financially Intelligent Child

Jon and Eileen Gallo, authors of “The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, Responsible Children” advocate allowances as a tool to teach financial literacy to children. They also believe that allowances should not be tied to doing chores. Their reasoning is that children need to learn to contribute to the household and to develop a work ethic independent of material rewards.

An allowance, they state, is a tool that should be designed to teach a child to think reflectively. Keep track of your spending on your children for 2 weeks. Then decide which of these items you would like your child to become responsible for. For example if you are spending \$10 a

week on video games, you might decide to give your child an allowance of \$10 a week. You then have a discussion with them to let them know why they are receiving that \$10; that you will no longer



be buying their video games. However, let the child know that they can spend the \$10 for anything they would like. Encour-

age them to put some aside for charity and some for saving (you might add an additional \$2 for these purposes).

The parent should keep in the back of their mind that an allowance is really a tool for the child to make choices, to feel what it's like to use money, and to feel what it's like to make mistakes. Don't tie the allowance to not doing chores. If they don't do their chores, there have to be consequences, but don't make the consequences the allowance. Make the consequences tied logically to what they failed to do. For example, if their chore was to pick up their toys, and they did not, maybe you would take the toys away for a week.