



Creating Extra Income

Even after finding ways to cut back and save for a rainy day, single parents may find themselves in need of extra income, either temporarily or long-term. But how does one do that and still have time to maintain an even keel at home and manage children's needs and activities? It's a real challenge, but there are some creative ways to make it work. We've included some ideas here and hope that they will trigger some ideas of your own.

Babysitting

This is not the same as opening a child-care service in your home, which requires special licenses and compliance with state regulations. There can be lots of opportunities for babysitting a few hours at a time and it can be a great way to earn some extra money, as much as \$10-\$12 an hour. If you are interested in starting a babysitting service, here are some tips for getting things in place.

1. Get some training. Your local YMCA or community education program probably offers CPR and first-aid classes certified by your local Red Cross. Just having a certificate that shows you've had this training will help reassure the parent or parents of the child you are babysitting, and it can help you earn \$3-\$5 more per hour. Most community education programs are administered through high schools so check with the high school in your area to see what classes are offered. Community education programs are usually very low in cost.

2. Make your schedule work for you. Babysitting is work for which you can plan your own hours. Decide when you want to work and then accept clients who fit into your schedule. A small day planner or calendar will be a necessity. If you have access to the Internet, you can find many online calendars that you can use to manage your schedule for free.

3. Put the word out. Make some flyers or posters and place them on local bulletin boards and at local schools. Grocery stores might be a good place. You will need to get permission from the place where you want to post your advertisement. Make some simple business cards to pass out whenever an opportunity presents itself. Internet sites like Babysitter.com are great ways to find possible clients. Babysitter.com asks for information about you and creates a profile that lets clients know that you are a trustworthy babysitter.

4. Build your client base. Ask happy clients to act as references and to recommend you to others. Word-of-mouth is the best way to gain new clients.

5. Remember the Golden Rule. Remember birthdays, special occasions, and holidays. All it takes is a simple personal note that says you remembered. Have fun activities ready for the kids you babysit so their parent(s) know you are not sitting them in front of the television all day. These little acts of thoughtfulness will keep you on the top of the list as a babysitter. You may find that happy clients also remember you with a nice gift on your birthday or at the holidays.

6. Charge what you're worth. Don't be afraid to give yourself an annual cost-of-living raise. If you have more families requesting your services than you can handle, then you have the flexibility to charge a little more. But remember that loyalty from clients is in your best interest also. Sometimes it's better to offer a discounted rate or at least not raise the rate for

(Continued on page 2)

Creating Extra Income

(Continued from page 1)

clients who have been loyal to you for a lengthy amount of time.

Consignment Stores—Selling Used Clothing, Books, and Toys

Have you ever visited a consignment shop? They have increased significantly in popularity over the past few years, especially with the emphasis on recycling. People would rather consign, sell, or donate their unwanted or unneeded items than add to the landfill. There are a few kinds of stores that deal in used items:

1. Resale Store: A resale store is one that buys merchandise outright from individual owners. If you take your merchandise to them, they will give you a set price for anything they think they can sell and pay you on the spot. This is a nice option if you could use the cash right away.

2. Thrift Store: These are run by a not-for-profit organization to raise money to fund their charitable causes. The Salvation Army/Goodwill is a good example. If you have donated old clothing or household goods to organizations in the past, chances are this is the type of store that resold your goods.

3. Consignment Store: These stores accept merchandise on a “consignment” basis, that is, the store will pay you a percentage of the sale when and if the items are sold. The majority of consignment stores pay the owners 40% to 60% of the price the item sells for. They usually have a time limit for how long they will keep your merchandise on sale at the store, anywhere from 30 to 90 days. Some consignment shops combine purchasing merchandise outright with taking it on consignment.

Resale or consignment stores can be a great way to earn a little extra

money by selling not only your used items, but also your children’s used clothing, toys, books, strollers, etc., as your children grow out of them. We’ve compiled a few tips for you to use if you want to think about trying the consignment business.

Browse the consignment stores in your town

There are probably a few consignment shops not too far away from you. Try to visit a few of them or ask other parents in your neighborhood for a recommendation. The quality of consignment stores can vary, and you want to be sure the store you use has a good reputation both for the quality of the items they sell and how they treat their resellers. Many consignment stores focus on a particular type of merchandise. You should be able to find one that takes children’s items.

Find out how the consignment store you choose does business

Visit the shop you choose in person, or at least call ahead before you take your merchandise to ask how things are handled. You’ll want to know:

- If you need to schedule an appointment or if you can just drop-in.
- Is a fee charged for an appointment?
- What percentage will you earn on each sale?
- Does the shop purchase any items outright, or does it pay after each item has been sold?
- What condition does your clothing, toys, books, household items, need to be in?
- What season or categories are they accepting currently?
- Decide what items you will take to sell

Once you have found out what you need to know about the store and the way they handle business, you’ll want to start gathering your consignment items. Focus on things that are in good condition, but no longer fit or don’t suit your style. Items that haven’t been worn or used or played with in months are good candidates. Perhaps your son has outgrown his action figures, or your daughter doesn’t play with her dolls anymore. These items could be helpful to another family. Maybe you have Halloween costumes that don’t fit anyone anymore. Don’t be tempted to take things that are still useful to you. You don’t want to end up spending money on replacing things that you already had.

Organize the items on categories

Some items you have may not be the right season just now, but that’s okay. Set them aside ready for when the store begins to sell in that market. For example, if you have items at the end of the summer, put them aside ready to take to the consignment shop early in the spring. Put them in a box or carton and label them “For Consignment” and the date you want to take them in.

Make sure your items are clean

Washing, ironing, and folding, or hanging the items on hangers will make the consignment store happy and will increase the chances that someone will buy your items. Make sure you prepare the items the way the consignment store has asked you to. Merchandise that is stained or damaged won’t be sold at a consignment store. You can set those aside to donate to a thrift store.

Help out a charity you like

Most of the time, the consignment store won’t take everything you take in. They may already have too many things like what you have, or they may not have enough room for larger items you want to sell. If so, you have a couple of options. You can inves-

tigate other consignment stores and divide your merchandise up between them, or you can simply donate those items to a charity in your area that you would like to support. Some organizations will even pick your donations up at your home.

Shop during your appointment

Browse the consignment store while the clerk is assessing your items. You might find some inexpensive items that you need. Some consignment stores give you more credit if you use the trade to shop in the store. If you start taking items to the store every few months, you can put the money you earn toward things your family needs.

Sharing Responsibilities

Another way to earn extra income is to spend less. One way to spend less is to share the expenses with another single parent. Two single parents sharing expenses and household chores can sometimes achieve more than one person trying to go it alone. You may meet other single parents in support groups, at your children's school, at work, or in a class you are taking. If you make friends with someone and your children like each other also, sharing an apartment may be worth trying.

Being able to share the rent may make it possible to rent a place in a safer area of town with more space and more amenities. It could also help you save on child care during hours that your work schedules don't overlap. One parent can watch the children while the other parent is at work. You may be able to carpool if your children attend school. That could save you some gas money. You can also share the chores. Maybe one of you likes to iron, but the other hates it. Maybe one likes to cook, but the other doesn't. By dividing up the chores, you can eliminate some of the stress that comes with being a single parent and you can have someone to bounce parenting ideas off of.

But there are also things to consider to ensure that house sharing is a good experience for parents and children. You will need to establish some rules upfront. Areas that might need rules could include house guests, groceries and food preparation, television watching, who parks in the garage, who gets the biggest bedroom, etc. It will take serious thought to make sure you make the right choice of a roommate, not just for you but also for your child.

You might want to check out services like CoAbode. CoAbode is a Web service that helps single moms find other single moms to share rent and chores with. Started by a single mother, CoAbode is an online service that matches struggling, single mothers with others in similar circumstances so they can create less stressful living circumstances. If you are interested in investigating CoAbode, you can find them at www.coabode.org.

You'll be asked to complete a profile that includes your accommodation needs, rent, neighborhood, and school district, as well as additional information about your likes, dislikes, and parenting philosophies. CoAbode charges members a one-time fee of \$29 to join. Interested parents can also request one-time access to CoAbode's shared housing database for \$5-\$15. You can also look for other such organizations through your state Social Services department, your religious organization, local colleges, and other support organizations.

Beware of Work-at-Home Scams

As consumers, we conduct some type of financial transaction requiring an educated decision almost every day: shopping for a mortgage or auto loan; understanding and reconciling credit card statements and telephone bills; choosing savings and retirement plans; comparing health insurance policies; understanding our credit report and how that affects our ability to get credit and at what cost; or simply deciding how to pay

“With so many Americans interested in working at home, it should come as no surprise that job scams have grown in popularity—but too many offers not only don't pay, they cost victims thousands of dollars.”

— Chief Postal Inspector
Lee R. Heath

for a purchase. Education is the first line of defense for us to manage our money wisely and protect ourselves from frauds or rip-offs. One of the growing fraud threats to consumers is the work-at-home scam.

Hoping for an easy way to earn extra money from the comfort of your own home? You're not alone. Working at home has become more attractive than ever to single parents, college students, stay-at-home moms, and others looking for ways to earn extra money. Ads offering the opportunity to make big \$\$\$ working from home can be found in newspapers, on the Internet, and even stapled to telephone poles along the road. But the U.S. Postal Service has issued warnings against these offers because, although there are some legitimate opportunities to earn money, many of these claims are simply scams. Unfortunately, as the number of jobs grows in response to public interest, so have bogus job offers.

U.S. Postal Inspectors warn you to proceed with caution

Most work-at-home jobs don't guarantee regular, salaried employment. Many neglect to mention that you have to work many hours without pay. Others require that you spend your own money for products or instructions before finding out how the offer works. And the “work” may entail getting others to sign up for the same job—which continues the fraud.

During National Consumer Protection Week, Postal Inspectors and the

(Continued on page 4)

ARTICLES

TIPS & TRICKS

Creating Extra Income

(Continued from page 1)

Postal Service's Consumer Advocate joined other federal, state, and local consumer-protection agencies to educate the public about ways to avoid becoming victims of fraud.

According to Postal Service Consumer Advocate Mike Spates, job seekers should do some homework before accepting a work-at-home offer. "Our goal is to educate consumers so we can reduce their chances of falling victim to work-at-home scams," says Spates.

The newest scam is reshipping fraud. Work-at-home shippers are promised substantial amounts of money—all they have to do is receive, repackage, and then mail merchandise to a foreign address. What the shipper doesn't know is that the merchandise was paid for with stolen credit cards. In effect, the work-at-home shipper becomes part of a fencing operation by receiving and mailing stolen goods. Reports to date indicate the scam has cost victims thousands of dollars, but as long as the ads appear, people unaware of the fraud continue to respond.

Other work-at-home jobs may involve product assembly, craft work, and multi-level marketing. Some ask victims to front money for products or more detailed instructions. Others require that you recruit other people to do the work—which continues the fraud.

Postal Inspectors encourage consumers to closely examine offers before responding. They offer these protection tips:

- Don't give out personal information to a person or company you don't know.

- Be suspicious of any offer that doesn't pay a regular salary or involves an overseas company.
- Check out the company with the Federal Trade Commission, the Better Business Bureau, state Attorney General, or your local consumer protection agency.

"Be smart," says Chief Inspector Heath. "There is no easy way to wealth. If the offer sounds too good to be true, it probably is." Work-at-home scams have cost victims thousands of dollars. Check out all jobs before responding. Legitimate companies provide information in writing.

How to protect against work-at-home scams

You can defend yourself against work-at-home scams. Be alert and don't take things at face value. Here are claims to be wary of:

- Little or no money needed upfront
- Work part-time and earn a full-time salary
- No experience necessary
- This offer is unique

Do your research. Work-at-home promotions leave many unanswered questions. Don't send any money until you receive complete, satisfactory answers in writing to the following questions:

- What exactly do I need to do to earn money?
- What will I get for my investment?
- Do I have to buy anything at my own expense?

- What quality standards must I meet for products I produce?
- Will I receive a salary or do I work on commission?
- How do I get paid?
- Do I need to recruit others to the program?
- How do I get my money back if I am not satisfied?

If you don't receive satisfactory answers to your questions, walk away from the promotion. Chances are good that the promotion is really a scam.

As you work on getting your finances under control, every penny counts, and a little extra income can go a long way. Our certified credit counselors can help you make sense of your finances, set good long and short term goals, and get you started on your journey to financial freedom.

www.ffef.org

www.accesseducation.org

(877) 789-4175



Business Hours!

Monday-Friday: 7:00 a.m.-7:00 p.m.

Saturday: 8:00 a.m.-12:00 noon

Family Financial Education Foundation

ACCESS EDUCATION SYSTEMS

724 Front Street, Suite 340

Evanston, WY 82930

contact: (877) 789-4175

www.ffef.org | info@ffef.org



If you know of someone who would benefit from this information, please pass this newsletter along.

This publication is the property of Family Financial Education Foundation. All rights are reserved. For more information about our services or how we can help you with your debt management program, please contact Family Financial Education Foundation at www.ffef.org.