

SPOTLIGHT ON FINANCE

Financial Spring Cleaning Tips

After a long cold winter, spring is here! As the weather warms and an unexplainable desire to clean out your closets and declutter your home begins, remember that closets aren't the only thing that might need some spring cleaning. Re-examining your financial situation and getting rid of no longer needed paperwork during this transitional period from winter to spring just might make your summer more enjoyable and stress free. This spring, decide to take control, reevaluate and then, consider the

best way to approach your financial situation. To help in the process why not try some of these simple and easy ways to check off your financial spring cleaning list:

✓ **Organize your records**

The first priority is to organize your records. Form two stacks: one to keep and one to shred. Disorganization is usually the reason debt gets out of control in the first place. Consider reducing paperwork from entering your home and opt to

receive bank statements and other account information electronically. Nobody enjoys paying bills, but ignoring the bill won't make it disappear. If you decide to receive this information electronically make sure you write down the due date.

✓ **Monthly maintenance**

Use your electronic devices

Continued on page 2

Secure Your ID Day

The Better Business Bureau and Partner Shredding Service Companies throughout our Middle Tennessee area invite consumers and businesses to bring documents to be shredded for **FREE** such as credit card statements, old checks, IRS tax returns, and anything that a thief could use to steal your identity. BBB stresses the importance of shredding confidential documents that can leave you vulnerable to identity theft.



Saturday, April 16, 2016

Nashville

9:00 am—1 pm
Richards & Richards
1741 Elm Hill Pike
Nashville, TN 37210

**Cookeville/Upper
Cumberland Area**

10 am—1 pm
Cookeville Regional
Medical Center
Corner of 6th & Cedar
Cookeville, TN 38501

**Franklin/Williamson
County**

9 am—Noon
Lowe's Parking Lot
3060 Mallory Lane
Franklin, TN 37067

**Murfreesboro/
Central TN Area**

9 am—Noon
Lowe's Parking Lot
1825 Old Fort Pkwy.
Murfreesboro, TN 37129

**Manchester/
Coffee County**

9 am—11 am
Ascend Federal
Credit Union
1929 McArthur St.
Manchester, TN 37355

"More than 18 million Americans have been the victims of identity-related fraud over the past two years."

For more information visit www.gobbb.org or call 615.250.4244.

Financial Spring Cleaning Tips *continued from page 1*

to send yourself a weekly reminder for financial maintenance. Spring cleaning your financial record clutter can assist you in your ability to locate needed financial documents in a more timely manner.

✓ Save important documents and shred the rest

Start a folder or envelope for next years' annual tax records (paycheck stubs and receipts for items you plan to claim as a deduction) in one place. Billing statements not required for tax filing purposes can be shredded generally once you reconcile payment with your next statement. However, you may opt to shred once a year.

✓ Check your credit score

Your credit score dictates whether you qualify for new credit and the interest rate you will be charged. Take advantage of www.annualcreditreport.com, which offers one free credit report from each of the three major reporting agencies annually.

Nobody enjoys spring cleaning, but in doing so, every mail delivery may bring less bills and more money for you to save. This way you will be able to enjoy a more debt free life and take control of your individual situation. It may be hard work in the beginning, but it is possible—if you are willing to work to get back on track. Bottom line you will feel good to know that your finances are organized and having a clearer understanding of where you stand will help you to put your finances in control, rather than

letting them control you. The small amount of work you do this spring will yield high dividends later when you are enjoying that nice vacation or retiring a few years ahead of schedule.



Keep These Documents

At Home	When to toss them
Bank deposit slips	After you reconcile statements.
Banking statements	After a calendar year, store with tax return if used to prove deductions.
Brokerage, 401(k), IRA, and other investment statements	Shred monthly and quarterly statements as new ones arrive; keep annual statements until you sell the investments.
Credit-card bills	After you check and pay them, unless needed to support tax filings.
Employer defined-benefit plan communications	Never
Household warranties and receipts	After you no longer own the items.
Insurance policies	After you renew them.
Pay stubs	After you reconcile them with your W-2.
Receipts	After you reconcile them with your credit card or bank statement unless needed for a warranty.
Safe-deposit box inventory	Never, but review and update annually.
Social Security statements	When you get a new one, then shred the old one.
Tax returns and supporting documents	After seven years.
Investment purchase confirmations and 1099s	Hold until you sell the securities, then keep with tax records for an additional seven years.

Chart Sources: Consumer Reports March 2010

In a Safe-Deposit Box	When to toss them
Birth and death certificates	Never
Estate-planning documents	Never
Life-insurance policies	Never, or when a term policy has ended.
Loan documents	After you sell whatever the loan was for.
Marriage licenses, divorce decrees, military discharge papers and Social Security cards	Never
Vehicle titles	After you sell the vehicle.



2016: The Year of the Gas Pump Skimmer

“Skimming” is a method, by which thieves steal your credit card information, and all it requires is a little illicit technology and a lot of criminal intent, which experts say is likely to continue to rise in 2016.

Skimmers are small devices that scan and store credit card data from the magnetic stripe. Skimming occurs most frequently at retail outlets that process credit card payments—particularly bars, convenience stores, restaurants and gas stations.

Skimmers once were larger devices set atop machines and recognizable as out of place to the discerning machine-user. Nowadays, they have become more sophisticated, are as small as a thumb drive, and much more difficult to detect.

Gas pumps, especially those in remote locations, are attractive targets, as their remoteness gives thieves time and privacy to install skimming devices. The pumps most likely to get a skimmer are those off interstate highways, farthest from the cash register.

Once the card is run through the skimmer, the data is recorded, and the thieves can sell the information through a contact or on the internet, at which point counterfeit cards are made. The criminals go on a shopping spree with a cloned copy of the credit or debit card and cardholders are unaware of the fraud until a statement arrives with purchases they did not make.

In our October 2015 edition of *Spotlight on Finance*, an article was included that discussed EMV-meaning Euro pay, MasterCard and Visa. This is an emerging standard for credit cards equipped with computer chips and other technology features that will be utilized to authenticate chip-card-transactions.

Until fueling pumps are outfitted with EMV technology, they will read credit card magnetic stripes which lack layers of protection. If thieves know how to compromise that, that's where they will go.

Most ATMS and fueling stations have until October, 2017 to update pumps with EMV technology which accommodates credit cards with electronic chips.

A Few Tips to Consider:

Given the near-invisibility of the devices, it might not be possible to

totally avoid a skimming scam, however, consumers can take several steps to protect their cards at the fueling station such as:

- ◇ Pay inside, with cash or credit card, rather than at the pump
- ◇ Be suspicious if the gas pump has a broken security seal, or the word “void” appears on it
- ◇ Choose pumps closest to the physical building, not the ones hidden around the building
- ◇ Use a credit card, not debit card, when paying. If a credit card number is skimmed, you have less risk since it's protected by the card's zero-liability policy. If a debit card gets compromised, and they have your PIN, the thief gains access to your account.

A recent story in *The Tennessean*, from Nashville, confirmed this type of activity is occurring in the state: <http://www.tennessean.com/story/news/local/wilson/lebanon/2016/03/30/credit-card-skimming-device-found-lebanon/82443036/>.

For additional information involving “Skimming”, please visit <http://www.creditcards.com>.

April is National Financial Literacy Month!

Financial Literacy Month began in 2003 as a partnership effort between the Council for Economic Education, Junior Achievement and the Jump\$tart Coalition. It has now grown into an annual, national event. Throughout the month, there are events planned across the state and nation to help educate parents, students, educators

and the general public about the importance of economic and financial education.

If you are an Elementary or Middle School teacher, you can take advantage of free financial literacy training that is presented by the Tennessee Financial Literacy Commission and the Tennessee

Treasury Department. Registration the day of the event begins at 8:30 AM and the sessions run from 9:00 AM to 2:00 PM. Free financial education curriculum is provided, as well as, lunch, snacks and parking. Teachers will also have the opportunity to win an iPad mini!

Continued on page 4

April is National Financial Literacy Month

continued from page 3

Below is a list of the dates and locations for the Financial Literacy Commission sessions. You can call 615-532-5892, or email james.armistead@tn.gov for more information:

April 16
Walters State Community College
Morristown, TN

April 23
Pellissippi State Community College
Knoxville, TN

April 30
Jackson State Community College
Jackson, TN

If you are interested in learning more about providing innovative financial education resources and tools for what is trending for the future, you can register to watch the 10th Annual Financial Literacy Summit 2016, presented by VISA and the Federal Reserve Bank of Chicago. This is scheduled for April 20, 2016. You can register for the



webcast at:
<http://www.finlitsummit.org/register.php>

The Federal Reserve Bank of Atlanta, Nashville Branch will host a webinar entitled, "Teaching Career Exploration and Employability Skills: Resources for Your Classroom", on April 18, 2016, from 3:30 PM-4:30 PM CST. This will focus on online interactives, infographics and project-based lessons to help students prepare for their futures. Financial well-being and costs/financing options for postsecondary education will be discussed. You can register at:

<https://www.frbatlanta.org/forms/education/workshops-events/2016/0418-webinar>

or contact Jackie Morgan at 615-251-7239.

Did You Know?

The State of Tennessee is separated into two, Federal Reserve Districts. Federal Reserve District 6 is serviced by the Federal Reserve Bank of Atlanta, but a branch location is in Nashville. This District covers two-thirds of Tennessee from the Tennessee River in the western part of the state, eastward towards the Appalachian Mountains. Federal Reserve District 8 is serviced by the Federal Reserve Bank of St. Louis, with a branch location in Memphis. This covers the western third of the state from the Mississippi River to the western portion the Tennessee River. These boundaries were revised in February 1996.



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