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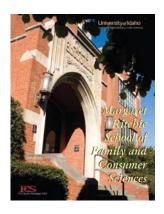


Greetings!

This is my first *The Communicator* since stepping into the role of Interim Director of Family and Consumer Sciences here at the University of Idaho. Previous directors, such as Nancy Wanamaker, have left a legacy of leadership I hope to continue.

Let me introduce myself. I earned my Bachelor's, Master's and PhD at the University of Minnesota, under the direction of Joanne Eicher, whom you may remember as 2003 Margaret Ritchie Distinguished Speaker. I started teaching in Clothing. Textiles, and Design in 1994 and am applying for promotion to full professor this year. I co-authored The Visible Self: Global Perspectives on Dress. Culture, and Society (Fairchild 2000) with Joanne Eicher and that text is in revision, to be published in spring 2008. My claim to fame on campus is as the presenter of "Suit Yourself: Dressing for the Interview," as part of the Etiquette Dinner sponsored by FCS and Career and Professional Planning. My research focuses on Indian textiles and I was privileged to participate in a Fulbright-Hays group study to India emphasizing The Fabric of Indian Life. Look for the write-ups in this summer's edition of CALS' Programs and People http://info.ag.uidaho.edu/magazine and in the FCS Alumni Newsletter, available online www.uidaho.edu/fcs.







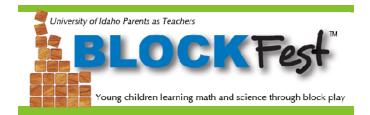
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Here on campus, classes have begun. Our "tenth day" enrollments top 363 Family and Consumer Sciences majors, fifteen more than this time last year. While university enrollments are down, FCS enrollments continue to rise. Perhaps one explanation is that "millenials," the first generation of students to come of age in the 21st century, want to make a difference—something the application of our content areas can provide.

Parents as Teachers

One of the biggest changes to take place in recent months in University of Idaho Extension was the end of the Parents as Teachers program. This was a program funded with federal dollars that brought trained parent educators to families in communities throughout the state, delivering research-based information about child development and family life. Despite the success of this program in creating a body of parents who now look to the University of Idaho and FCS for parenting information, the Idaho governor's office cancelled the project in June. This is a giant step backward for the health and wellbeing of Idaho's children. However, there is no great loss without some small gain. Many parent groups continue to meet for community-based parenting education. Our Extension Specialists and County Extension Educators have the expertise to provide this support for Idaho families.



In addition, the BlockFest program continues. BlockFest was a part of the Parents as Teachers program. Blocks of different sizes and composition are brought to local community settings where young children and their parents can come to play with blocks. What is really happening is that children are learning important concepts about math (quantity, sequencing, more/less), science (weight, mass, size, cause and effect, the nature of matter), and literacy (symbolic thought, patterns). Parents receive a guide book on how to help their children play with blocks to grow their skills. The blocks and the books are ready to go, and funds from the Micron and Quest Foundations allow this program to continue. Watch for BlockFest in your area.

St. Luke's Women's Fitness Celebration and Alumni Social

Join the first-ever University of Idaho College of Agricultural and Life Sciences Alumni team in the 15th anniversary 5K run/walk/stroll for women and girls on Saturday, September 22 in downtown Boise. Visit www.celebrateall.org for race information—and choose the "University of Idaho CALS Alumni" team when you register.

When you pick up your packets on Thursday, September 20th, be sure to stop in at the Alumni Social at Café Olé, starting at 6:30pm. Café Olé is located right near Boise Center on the Grove. You will:

- network with other CALS and FCS alums
- meet with CALS Alumni and Friends Association incoming president Teresa Golis
- meet new CALS alumni relations director Cyndi Faircloth
- meet me, the new Interim Director, to hear more about FCS programs, updates, and information about the Capital Campaign.

\$5.00 per person includes a taco bar dinner (no host bar available). Buy tickets at http://marketplace.uidaho.edu in the CALS Gear store or RSVP to calsalumni@uidaho.edu and pay at the door. I look forward to meeting you there!

Margaret Ritchie Distinguished Speaker and FCS Alumni Brunch



September is the month we gear up for several October events. The Margaret Ritchie Distinguished Speaker this year is June Henton, Dean of the School of Human Sciences at Auburn University. She provides leadership for the student-led "War On Hunger" Campaign. Students from FCS attended the first War on Hunger summit in

2006 and have actively ramped up the program on the UI campus. Dr. Henton will be here October 18-19, 2007. On Thursday evening at 7:00pm at the University Inn-Best Western in Moscow, Dr. Henton presents "Engaging the Community in Sustainable Solutions for Global Issues." On Friday the 19th at 10:30am in the UI Administration Building Auditorium, Dr. Henton speaks on "Universities Fighting World Hunger: Accelerating the Movement." See the FCS website for more details. Following Dr. Henton's visit, is the annual FCS Alumni Brunch on Saturday, October 20th in the Silver & Gold Room on the second floor of the Student Union Building. Brunch begins at 10:00am. I will be picking up on Dr. Henton's themes of sustainability with a report on non-governmental organizations in India that preserve traditional skills and ways of life while using FCS types of programming to enhance family well-being. The title of the presentation is "The Fabric of Indian Life." A registration form the brunch is available on the FCS website. I hope to see you at these events!

Best wishes as the busy fall season approaches— Sandra



National Food Safety Education Month^e National Restaurant Association Educational Foundation

September is National Food Safety Education Month®

September 2007 is the thirteenth annual National Food Safety Education Month® (NFSEM) sponsored by the National Restaurant Association Educational Foundation's International Food Safety Council. The goals of NFSEM are:

- To reinforce food safety education and training among restaurant and foodservice workers.
- To educate the public to handle and prepare food safely at home where food safety is equally important—whether cooking from scratch or serving take-out meals or leftovers.

This year's theme is Viruses: They're in Your Hands. For foodservice education in the "back of the house," five handouts/activity sheets and five black and white posters, plus a large color poster (shown right) are available for download at the website, http://www.nraef.org/nfsem/training.asp. The five specific topics are:



- Foodborne Viruses: Know the Facts
- Norovirus: Know the Answers!
- Hepatitis A Virus
- Preventing the Spread: Handwashing
- Preventing the Spread: Employee Illness

The activities include selecting, matching, or placing in correct order items such as symptoms of viral infection or methods to prevent infections, fill-in the phrase, or deciding whether previously ill employees can work.

Source: http://www.nraef.org/nfsem.

Key words: food safety, education, resources.



Food Safety

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Idaho's Central District Health Department Introduces an Idaho Food Safety Video

Idaho's Central District Health Department (CDHD), which covers Ada, Boise, Ellmore, and Valley counties, has produced a food safety video that will replace CDHD's introductory food service employee class on the *Idaho Food Code*. For years the health district has offered a two-hour class on the rules and regulations that all Idaho food establishments must follow in order to insure the safe handling of food that is served to the public. The new video offers more flexibility in employee training.

The video is available at a specially designed website, www.cdhd.idaho.gov, which allows food establishment owners and other interested individuals to download the video and use it in trainings.

In describing the video, Russ Duke, Director of the Central District Health Department, noted that "By making the principles of food safety available to everyone, we hope to reduce the incidence of foodborne illness, whether in a restaurant or in your kitchen at home."

The video covers the main food safety principles that will prevent foodborne illness, clearly demonstrating good techniques and repeating key points. Much of the footage was shot in a working restaurant kitchen (Blue Ribbon Artisans in Meridian). The video is divided into six sections, to make downloading easier.

Section	Time (min:sec)
Part 1 Introduction	5:18
Part 2 Foodborne Illness: Holding Time & Temperature	2:59
Part 3 Foodborne Illness: Poor Personal Hygiene	5:10
Part 4 Foodborne Illness: Inadequate Cooking & Contaminated Equipment	5:16
Part 5 Foodborne Illness: Adulterated Food	3:08
Part 6 Let's Review	5:05

The video is available in a variety of formats from the website and can be downloaded directly onto a computer's hard drive or onto an iPod or similar device. Kevin Ryan of CorpCasting, the company that produced the food safety video, said "Our approach to the design of this project was to make it as portable as possible. We want a restaurant owner to be able to download these videos onto a laptop and present them to employees in a setting that's convenient for them." The video will also be available in standard format DVD and VHS tape formats for a nominal charge.

These video segments can be used to enhance the teaching of the University of Idaho Extension's *Ready, Set, Food Safe* curriculum. The Part 3 video segment has a good vignette on the importance of personal hygiene. These videos are particularly useful because they emphasize the Idaho food service food safety regulations. They were introduced on June 26, 2007.

Source: www.cdhd.idaho.gov.

Key words: food service, food safety, resources.

Factors Affecting Food Safety

What changes have affected the safety of food in the United States? A prominent food safety expert and consultant recently compiled a list of changes and shared it with subscribers to the Foodsafe listserve. I have slightly edited and reproduced the list here because it concisely helps us think about how food safety issues have been changing. You can probably think of some additional factors. These factors affect why and how we deliver food safety programs:

- Increased popularity and production of readyto-eat produce. This means individual heads of lettuce or spinach are washed in common fluming systems and if pathogens are present on one head, cross-contamination can occur (somewhat analogous to the multiple animal sources in ground beef production).
- Concentration of production in locations that specialize. For example, the Salinas Valley is known as the "Salad Bowl of the World."
- Expansion of distribution made possible by improved transportation infrastructure. Products made at one plant are shipped to all parts of the country, as in the recent Salmonella in peanut butter outbreak, which affected 46 states.
- Increased environmental pollution (tied to population growth and development). For example, livestock production is increasingly being pushed into closer proximity with vegetable production.
- 5. Aging population of consumers (goes with #6).
- 6. More at risk individuals in the population. About 20 percent of the U.S. population is in one or more at-risk group.
- 7. Eroding public health infrastructure (fewer Americans with health insurance).
- 8. Less effective regulatory agencies lacking political support and public confidence. For example, there has been a decrease in the number of FDA employees since 2003.
- 9. Evolution of pathogens, in both increased virulence and in antibiotic resistance.
- 10. Better testing and epidemiology to link disease and causality. For example, the *FoodNet* program was started in 1996.

Source: Costa, R. "Re: So it was the cows," Foodsafe

post, Oct. 14, 2006, http://foodsafetyweb.info.

Key words: food safety, trends.

The Family Environment Affects Adolescent Well-Being

By action and by example, parents shape the lives of children from birth through adulthood. In adolescence, the influence of friends and peers take on greater importance, but research demonstrates the continued significance of parents in shaping the behaviors and choices of teens as they face the challenges of growing up.

A new report, The Family Environment and Adolescent Well-being: Exposure to Positive and Negative Family Influences, by Child Trends and the National Adolescent Health Information Center, highlights both the positive and negative influences on adolescent well-being.

Fact:

Over three-quarters of all parents report very close relationships with their adolescent children—82 percent for parents of children ages 12 to 14 and 76 percent for parents with children ages 15 to 17.

Fact:

Yet, many 15-year-olds report difficulty talking with their parents about things that bother them. About one-third of 15-year-olds (32%) report difficulty talking to their mothers about things that bother them, while 42 percent of males and 53 percent of females report difficulty talking to their fathers.

Fact:

Hispanic parents are less likely than white and black parents to know who most of their adolescent's friends are—66 percent of Hispanic parents, 73 percent of non-Hispanic black parents, and 88 percent of non-Hispanic white parents know most of the child's friends.

Fact:

Foreign-born adolescents are more likely than their native-born peers to eat meals with their families six to seven days a week. Sixty-two percent of foreign-born adolescents ate family meals six to seven days a week, versus 40 percent of native-born adolescents with native-born parents.

Fact:

Adolescents who live with two parents are somewhat more likely than those living with one parent to



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report that their parents know their whereabouts after school (90% versus 83%).

Fact:

Adolescents with better-educated parents are less likely to be exposed to smoking and heavy drinking by parents. Among parents with at least a bachelor's degree, eight percent smoked, compared with 30 percent among parents of adolescents with less than a high school degree. Eleven percent of fathers with less than a high school degree drank heavily at least once a week, compared with two percent of fathers who had at least a bachelor's degree.

Fact:

Adolescents whose parents exercise are less likely to be sedentary themselves. Adolescents whose parents reported they had worked out heavily during the last month were more likely to exercise six to seven times a week themselves than adolescents whose parents did not report exercising—28 percent versus 21 percent, respectively.

The family environment can be a strong source of support for developing adolescents, providing close relationships, strong parenting skills, good communication, and modeling positive behaviors. It can also be a problematic environment when these supports are lacking, or when negative adult behaviors like smoking and heavy drinking are present.

Where adolescent health is concerned, clearly the family matters, and parents matter.

Source: www.childtrends.org.

Key words: parenting, youth, teenagers.

Children in Immigrant Families Firmly Rooted In America

Twenty percent of children in the U.S. now live with at least one foreign-born parent. A new research brief, by Child Trends and the Center for Social and Demographic Analysis of the University at Albany, State University of New York, reveals that children in immigrant families are deeply rooted in the U.S. (four in five are American citizens) and nearly one-half speak English fluently and another language at home. At the same time, many young children in immigrant families would benefit from quality early education programs to further their integration into American society.

Donald Hernandez, PhD, lead author of the brief stated, "These children represent a unique human resource for America. Investing now in early education and family literacy programs can help these children flourish. Such investments will help to maximize the economic productivity of the next generation of workers who will support the soon-to-retire baby-boom generation. By developing strong language skills, these children can enhance the global economic and geopolitical positions of the U.S."

Data on Children in Immigrant Families:

- Children in newcomer families have parents from more than 125 countries and live in all 50 states
- Forty percent of children with immigrant parents have origins in Mexico, and these children account for 50 percent to 81 percent of children in newcomer families in 12 states including AZ, CA, CO, ID, NV, and NM in the West; AK, OK, and TX in the South, and IL, KS, and NE in the Midwest. Children with other national origins are more predominant in the remaining states.
- According to the study, 24 percent, or one in four children in newcomer families, live with both a foreign-born and a U.S.-born parent.

- 68 percent of children in newcomer families live with parents who have been in the United States for 10 or more years. This number includes the 24 percent of the children whose parents were born in the U.S.
- 79 percent, or four in five children in newcomer families, are American citizens.

Many Children Live in Families Speaking both English and another Language:

- A substantial majority of children in immigrant families live with a parent who is fluent in English (nearly three in five), a key indicator of integration into American society.
- Three in four children in newcomer families (74 percent) are fluent in English. The vast majority, 74 percent, speaks English fluently, but 26 percent are linguistically isolated—living in households in which no one over age 13 speaks English fluently.

Low Participation in Pre-Kindergarten/Early Education Programs:

 Children in immigrant families are less likely than children in native-born families to be enrolled in early education programs which can foster their language integration and school readiness. Socioeconomic barriers related to the affordability and accessibility of early education programs account for at least one-half and perhaps the entire enrollment gap separating children in immigrant families from nonimmigrant families.

Policy and Program Implications/ Recommendations:

- Resources targeted toward increasing Pre-Kindergarten participation among children of immigrants can contribute to their educational success in K-12 education.
- Early education policies, programs, and learning experiences should encourage literacy in both English and the home languages of children.
- Family literacy programs that focus on both parents and children can enhance parents' economic and educational roles vis-à-vis their children.

Source: <u>www.childtrends.org</u>.

Key words: immigrants, family.



Watching Television Makes You Eat More

Dr. Alan Hirsch, neurological director of the Smell and Taste Treatment and Research Foundation in Chicago, found that when people watch television, they eat more, especially if the program is entertaining. For three weeks he monitored how many potato chips subjects ate, over a five minute period, while watching monologues of late-night talk show hosts David Letterman and Jay Leno and how many potato chips they ate when the television was turned off. He found that subjects ate approximately 44 percent more potato chips while watching Letterman and 42 percent more while viewing Leno, than when they did not watch television.

Hirsch theorized that when people concentrated on how food tastes, they ate less because they felt full faster. Conversely, when they were distracted (by the television program), they did not pay attention to either how full their stomach felt or the taste or smell of the food.

Numerous studies have linked overweight and obesity to watching television and being inactive. But television shows that are entertaining may also play a role. Hirsch recommends, "If you want to lose weight, turn off the television or watch something boring." Hirsch presented his results at the Endocrine Society's 89th Annual Meeting in Toronto, June 2-5, 2007.

Source: http://news.yahoo.com/s/nm/20070603/hl

nm/obesity dc; http://www.scienceofsmell.com/scienceofsmell/index.cfm?action=resear

ch.

Key words: weight loss, overweight, activity.



Nutrition Education

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Kellogg Will Eliminate Some Food Ads to Children and Reformulate Some of Their Products

Over the next year and a half, the Kellogg company will stop advertising its products to children under age 12, unless the foods meet specific nutrition guidelines for calories, sugar, fat, and sodium. In addition, Kellogg will stop using licensed characters or branded toys to promote foods unless the products meet the nutrition guidelines.

Kellogg won't promote their foods in TV, radio, print, or website ads that reach audiences at least half of whom are younger than 12 unless a single serving of the product meets the following standards:

- No more than 200 calories.
- No trans fat and no more than 2 grams of saturated fat.
- No more than 230 milligrams of sodium, except for Eggo frozen waffles.
- No more than 12 grams of sugar, not counting sugar from fruit, dairy, and vegetables.

Kellogg will reformulate their products to meet these criteria or stop marketing them to children younger than 12 by the end of 2008. Currently a third of the cereals Kellogg markets to children do not meet the new nutrition standards, and that includes Froot Loops, Apple Jacks cereals, Rice Krispies (too high in sodium), and Pop Tarts. Cereals that do meet these nutrition standards include Frosted Flakes and Rice Krispies with Real Strawberries. This year Kellogg will print "Nutrition at a Glance" labels on the front of its cereal boxes to highlight the amounts of calories, fat, sugar, and sodium in a single serving.

Kellogg is making these changes in its products and advertising as part of an agreement to prevent a lawsuit from parents and nutrition advocacy groups worried about the increase in childhood obesity.

Source: http://adage.com/article?article_id=117323;

http://www.rwjf.org/programareas/features/di

gest.jsp?id=5791&pid=1138.

Key words: children, obesity.

Low Carbohydrate Diet Is Bad for the Gut

There is yet another reason not to follow a low carbohydrate diet to lose weight. Earlier studies found that individuals following a low carb diet were at a higher risk of developing clogged arteries and possibly a heart attack. New research indicates that consuming a low carb diet may adversely affect the bacterial populations that live in the gastrointestinal tract. These bacteria produce a substance called butyrate.

Butyrate is a short chain fatty acid and is produced in the gut by bacteria that ferment carbohydrate present in food. Butyrate is also used by bacteria as a source of energy and by cells that line the wall of the gut. Butyrate can prevent cancer cells in the gut from growing and therefore reduce the risk of colorectal cancer.

Researchers at Aberdeen Rowett Research Institute in Scotland had 19 healthy obese men follow a low, medium, and high carbohydrate diet, each for

four weeks. Daily carbohydrate content for the three diets was 400 gm for the high carbohydrate diet, 124 gm for the medium carbohydrate diet, and 24 gm for the low carbohydrate diet.

After following a low carbohydrate diet for four weeks, subjects had a four fold decrease in the amount of bacteria in the gut and the amount of butyrate that was produced. These results indicate that butyrate production is affected by the carbohydrate content of the diet.

Source: Journal Applied and Environmental Microbi-

ology, February 2007. http://aem.asm.org.

Key word: fiber.



Remember Ice Milk?

Ice milk has undergone a name change. If you see ice cream that is labeled as "low-fat ice cream" or "light ice cream," it is actually ice milk.

In 1994, the Food and Drug Administration changed the rule that said if the frozen dessert had less than 10 percent fat and the same amount of sweetener, it had to be called ice milk. They allowed the term to be changed to "low-fat ice cream." Most stores no longer carry ice milk.

Ice cream has to contain at least 10 percent butterfat and some premium ice creams have 13 to 17 percent butterfat.

Source: http://www.fda.gov/fdac/features/1998/198_

milk.html.

Key word: dairy.

Retirement Planning Education—A Need for Idahoans

Financial and retirement planning is becoming an important Family Economics and human development educational topic. The first wave of 77.7 million baby boomers turned age 60 last year. This group represents one-fourth of the US population. The Census Bureau estimates that in 2006, 7,918 people turned 60 each minute. Millions of people are being forced to figure out how to manage their finances, health, and leisure in retirement.

Retirement affordability is a major issue. Adults in the US who are alive at age 65 are expected to live an additional 18.2 years to age 83. Six in ten Americans have not calculated their income needs for retirement. The majority of Americans have not accumulated sufficient financial resources to sustain themselves during 18 or more years of retirement. The latest figures from the Federal Reserve show that the median net worth—or difference between assets and liabilities—is \$123,684 for families whose household heads are 45 to 54 years old. One out of four baby boomers are at risk of living in poverty during their later years. To finance later life expenses, many experts predict future retirees will continue to work. Most retirees who continue employment will work fewer hours than during their younger years.

The escalating costs of health care will affect retirees' financial well-being. Experts predict that the Social Security program, if unchanged, will remain solvent through the year 2042. However, Medicare (the government program that pays for health care of elderly and disabled individuals) is expected to run out of funding by 2019, according to a 2004 report released by Medicare Trustees. To prevent chronic disease that can lead to catastrophic health care costs, mid-life and older Americans must assume greater responsibility for living healthy lifestyles and containing medical costs.

Availability, choice and costs of leisure activities will affect retirement lifestyles. Retirees who previously spent little time in leisure during their working years, must engage in enjoyable activities to build and maintain social relationships and mental and



physical health. Many people will seek educational programs to help them navigate complex retirement decisions affecting their financial, health care, and leisure choices.

In 2004 UI Extension conducted an educational needs survey, *Your Idaho Community: Current and Future Needs*. The study found that financial planning and retirement planning were among the topics most desired by survey respondents. Nearly 86 percent of respondents ages 19-55 identified a desire for Financial Planning education. More than 80 percent of this same age group also listed Retirement Planning as an educational need.



Earlier this year I was granted a six-month Sabbatical Leave from the University of Idaho to focus on retirement planning issues. During my leave I reviewed professional journals and popular press, attended classes, interviewed retirees, and traveled to Texas and Arizona to explore retirement lifestyles of sunbirds. I used a holistic framework to guide my study. According to my conceptual model, successful retirement includes financial security, health and well-being, and engagement with life. I've synthesized my findings into a presentation titled *Paths to Creative Retirement*, which covers highlights of my "successful retirement" study and includes case studies of people I interviewed.

A team of four UI Extension educators: Beverly Healy, Lyle Hansen, Luke Erickson, Jim Schaffer and I are collaborating to develop a financial security retirement planning curriculum. The UI Extension curriculum will cover topics such as retirement lifestyle options, calculating your net worth, determining your retirement savings needs, investment choices, asset allocation, dollar cost averaging, retirement investment income withdrawal, selecting a financial adviser, Social Security, Medicare, and financing health care costs.

Last week I taught the *Paths to Creative Retirement* class to Extension faculty at Kansas State University. During Spring 2008 the UI Extension retirement planning team will roll out financial security retirement education programs to Idaho audiences. Contact me for more information.

Key words: retirement, education.

Mortgage Credit Crunch Is Affecting Credit Cards

The credit crunch has begun to affect consumers' wallets in areas other than housing. Fallout from the mortgage mess and lower home prices may have started to creep into the credit card arena, judging from July payments and some initial moves by issuers to tighten the screws on cardholders. After falling for three consecutive months, delinquent payments on credit cards—defined as more than 30 days late—increased to 4.64 percent in July according to Cardweb.com. A year ago, the delinquency rate was 4.18 percent.

The amount of credit card debt consumers are paying off, meanwhile, has fallen. The portion of outstanding balances paid in July slipped to 18.3 percent from 18.4 percent a month earlier. The repayment rate hit its peak (21 percent) in October 2006 after credit card companies began complying with regulators' mandate to boost minimum payments to cover interest, fees, and some principal. For years, the default minimum was just 2 percent of your outstanding balance.

CardWeb.com officers suspect delinquencies may increase in the fourth quarter because of the credit crunch. Mortgages and home equity loans are harder to come by, home prices have fallen and more than 2 million subprime adjustable rate mortgages (ARMs) are beginning to reset to much higher rates. "As an adjustable mortgage payment rises it may limit the ability to service other debt, and lower home prices may limit the ability to do a cash-out refi," stated CardWeb.com CEO, Robert McKinley.

Credit card issuers, meanwhile, have begun to take steps to protect themselves. Issuers are boosting transfer fees and introductory rates, reducing the periods for which lower introductory rates are valid and even lowering credit limits on existing cardholders, including some prime customers. Consumers should keep a close eye on their credit card bill and, in particular, any pamphlets that accompany them which may notify them of policy changes. The risk of not noticing, for instance, that your credit limit has been lowered can lead to overthe-limit charges if you inadvertently exceed your new limit. A lower limit can also reduce your credit score, because if your charging habits don't change, you will automatically be using more of your credit capacity—the more you use, the lower your score. And a reduced score, in turn, can boost the interest rate your card issuer charges you.

Source: Adapted from: Sahadi, J., August 23, 2007,

Subprime may be hitting credit cards, too. CNNMoney.com, New York. Retrieved

8/31/07 from

http://money.cnn.com/2007/08/23/pf/credit_c ard_credit_crunch/index.htm?postversion=20

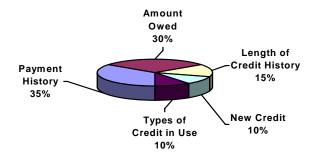
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Key words: credit, credit score.

To Boost Your Credit Score, Lower Credit Balances

Your credit score is a number that represents your creditworthiness—the likelihood that you'll pay your debts. A credit score is primarily based on credit report information, kept by credit bureaus. Lenders, such as banks and credit card companies, use credit scores to evaluate the potential risk of lending money to consumers. Lenders use credit scores to determine who qualifies for a loan, at what interest rate, and amount of credit limits.

The FICO credit score is the most widely used among lenders. Scores range from 300 to 850—the higher the better, with anything above 760 being the most desirable. Factors affecting your credit score include:



The amount of credit that will be available to you (your credit limit) is based on your credit score. The bigger your total balance as a percent of your total credit limit across all your credit cards, the lower your credit score will be. Experts estimate that you lose 1 point for every percent of your credit limit that you use. So if you have a total credit limit of \$10,000 and have an outstanding balance of \$4,000 (40%), your score would be 40 points lower than if you had a \$0 balance. Ideally, credit experts say, your never want your balance to exceed 30 percent of your credit limit. It's always good to pay off your balances every month. But creditors may take a few weeks or even a couple of months to report your payment to the credit bureaus.

To boost your score: Don't charge anything for at least 60 days before applying for a loan. That way it's likely that all the payments you've made to date will be reflected in your credit score by the time a lender requests it. If you can't pay off your total bal-

ance in full, at least keep it under 30 percent of your total credit limit.

To learn additional ways to boost your credit score, watch On the Money: Boosting Your Credit Score video at http://clipsyndicate.com/publish/video/357318 and access What Does Your Credit Score Say About You? Credit Cents Bulletin 841#5, access from the University of Idaho CALS Publishing catalog, http://info.ag.uidaho.edu/catalog/catalog.html, then Family & Consumer Issues, Family Finance, scroll down to Bulletin 841 and click to access 11 credit, debt, and identity theft bulletins.

Source: Adapted from: Sahadi, J., n.d. Six Ways to Kill Your Credit Score: Be a big spender at the wrong time. CNNMoney.com. Retrieved 8/31/07 from http://money.cnn.com/galleries/2007/pf/0705/gallery.credit_score/index.html and Petty, B., April 2007, How Does Your Credit Score? PowerPoint lesson, Credit Cents curriculum, University of Idaho Extension, Moscow, ID.

Key words: credit score, credit, creditors.

Quote of the Month

"It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change." Charles Darwin, scientist

Let Macroeconomics Help You Reach Your Financial Goals

Every semester thousands of students groan at the thought of taking a class in economics. Often, their introduction to economics will be in a course about macroeconomics. According to InvestorWords.com, macroeconomics is "The study of the behavior an economy at the aggregate level, as opposed to the level of a specific subgroups or individuals (which is called microeconomics). For example, a macroeconomist might consider the industrial sector, the services sector or the farm sector, but he/she will not consider specific parts of any of these sectors. Factors studies include inflation, unemployment, and industrial production, often with the aim of studying the effect of government policy on these factors."

So why is that important to you, the average Jane or Joe who's trying to pay your bills, put your kids through school and save a little for retirement? Gary Foreman, editor of *The Dollar Stretcher* enewsletter, spotlights some macroeconomic concepts and principles that can make it much easier to accomplish your goals.

According to Foreman, part of macroeconomics is studying long-term trends. We also need to be aware of the long-term financial forces that will affect our family, such as inflation. Even in the best of times, most economies have a mildly inflationary tendency. Prices may only go up 1 or 2 percent per year, but that's quite a bit if you take it out over 30 or 40 years. Knowing the "macro trend" leads you to certain conclusions. First, your money needs to grow by more than the rate of inflation. It's no good earning 1 percent on your money if inflation is running 3 percent.

Inflation will also tell you that it's better to own your own home than to rent your entire life. Why? Because the trend in home prices is generally up, despite the recent decline in real estate due to predatory mortgage loans and over-inflated real estate prices in some parts of the country. Every property is different so you need to choose carefully. The overriding trend says that the home you buy today will be worth more in thirty years if it's reasonably well maintained.

Or consider that college education or retirement that you're planning. According to Finaid.org, the cost of college has gone up just about twice as fast as the general inflation rate. From 1989 to 2005, inflation averaged 2.99 percent per year. College prices went up 5.94 percent. So the macroeconomic lesson is to make sure that your long-term savings plan takes into account price increases in the things that you'll buy eventually.

Two other macroeconomic trends have a very practical affect on your life—both good and bad. It's become clear that machines are capable of doing more work that people used to do, and global trade will continue to increase. The good news is that both of those things tend to reduce prices for you and me. Machines tend to work for less than people, and having companies from around the globe competing to see who can sell you new shoes for less will mean a lower price for you.

But the bad news is that both of these trends will reduce the number of jobs available and how much those jobs pay. That's a political issue, that's not our mission to solve. But you can learn from the macroeconomics involved. Both trends are clearly established. And, neither shows any sign of being reversed. So it's important to recognize facts and adjust our lives appropriately.

If you're doing work that could be done by a machine or your employer's main competitors are foreign, you need to evaluate whether your job is safe or not. Be realistic. It's easier to face (and handle) bad news now. Ignoring it could mean a much bigger problem later. There are studies available showing the future prospects for various professions. Find a career that has a good forecast. Don't get caught on the wrong side of a macroeconomic trend.

Another way to look at macroeconomics at home is to evaluate the "big ticket" items in your budget. What big things dominate your finances? For most of us, it's housing, transportation and food. As a general rule, you can't spend more than 75 percent of your after-tax income on these three areas combined.

The good news here is that you can do something about it. Don't let a real estate agent or car salesman talk you into making commitments that you can't afford. According to Bankrate.com, about 40 percent of new car buyers owe more on their old car than it's worth. Last time out, they were talked into buying too much car. Know how much of your budget goes to these items and make any needed adjustments.

One final note for the real economists reading this: The author has intentionally taken some liberty in how he used the term macroeconomics. His goal wasn't to provide a formal economics lecture. But instead, to show how people who weren't trained in the field could benefit from the concepts and knowledge that the field of economics studied.

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