

The Encyclopedia of Money Savings Tips

Each of us will earn a significant amount of money in our lifetime. However, it's not how much we earn, but how much we spend that keeps many of us from achieving our financial goals. Money Savings Tips was created as a guide to help you identify ways to reduce spending in order to "free up" money in the budget. There are hundreds of ways to save money. As you read through the tips, you'll find a number of ideas that you can implement in your own personal money management life.



Charity/Church/Giving

- Donate time instead of money to religious organizations and charities

Child Care

- Form a baby-sitting cooperative with friends and neighbors
- If you pay for child care, make use of the dependent care tax credit or your employer's dependent care flexible spending account
- Re-evaluate the family budget to determine if a parent can stay home with the children and avoid child care expenses

Clothing

- Shop sales, off-season if possible
- Resale shops are a good source of clean, low priced clothing
- Avoid buying clothes that must be dry cleaned or require special handling
- Borrow a dress for a big night out
- Use a consignment shop
- Iron your own shirts
- Inspect clothing carefully before purchasing it
- Hand wash instead of dry cleaning
- Learn to mix and match outfits to cut down on clothing expenses
- Use hand-me-downs from family and friends

Education

- Apply for scholarships and financial aid
- Consider a two-year college to start
- Move children from a private to a public school
- Check to see if your employer has a tuition reimbursement program
- If you're certain that your child will attend a particular school inquire about paying tuition in advance, at a discount
- Look into school programs that allow students to purchase computers and educational software at a discount
- Check into work study programs at college
- Consider a five or six year plan to graduate
- Work during college

Entertainment

- Go to movie matinees - they usually are cheaper
- Go to museums on free days
- Take a date for a walk along the beach or in a park
- Cut your cable television service down to basic
- Use the library for books, movies, and music
- Cut down or eliminate spending at nightclubs
- Ask for scholarships for children's sports activities
- Buy used musical instruments instead of new ones

Extra Income

- Rent out a room or garage
- Request to get interest on the security deposit for your apartment
- Save coins (change) in special boxes or jars - you'll see how fast they add up!
- Recycle for cash
- Go through your closets and drawers and sell those old collectibles on Internet auction sites
- Look for ways to make overtime pay at work
- Sell a special skill that you have such as sewing, cooking, car maintenance, etc.
- Look for seasonal, part-time employment and consider using part of any holiday bonus to offset expenses
- Can older children living in the house work?
- Have a garage sale
- Throw a rent party
- Write a fundraising letter to family, friends, and business associates describing some research you intend to do
- If you receive an IRS refund each year, reevaluate the number of exemptions you claim. Instead of getting that one lump sum at the end of the year, you can get portions of it in your paychecks throughout the year.
- Sell your second car and use public transportation
- Pick up money off the ground when you see it
- Breed your pets and sell the offspring

Food

- Make a grocery list and stick to it
- Make menu plans
- Avoid prepackaged foods in individual servings
- Don't shop when you are hungry
- Use coupons for foods you purchase regularly
- Buy in bulk or larger sizes for savings
- Meet friends for coffee instead of dinner
- Brown bag your lunch
- Make your own baby food. They will contain a lot less salt, sugar, and additives. Consult a library for information on preparing your own baby food.
- Have potluck dinners with friends and family instead of going out
- At the grocery store, comparison shop by looking at the unit price
- Make your own coffee for the drive to work instead of stopping on the way
- Stay away from expensive convenience stores
- Avoid alcoholic drinks and desserts at restaurants – they are marked way up
- If you aren't a big eater, share a restaurant entrée with someone and order an appetizer to supplement your meal to reduce the price of eating out.
- Prepare meals in advance and freeze them to avoid the temptation of ordering pizza at the end of the workday. Cooking at home will make your food budget go farther.

- Buy a filtering water pitcher for your refrigerator instead of bottled water, or just drink tap water
- Fruits and homemade snacks cost less and are more nutritious snacks for you and your children
- Do without snacks and sweets and remove them from your budget
- Stock your shelf with non-perishable Halloween treats at the beginning of Fall

Gifts

- Make cards and gifts for friends and family
- Discuss a reduction in gift giving with family members
- Make a gift list at the beginning of the year and stick to it
- Open a holiday account at your financial institution
- Recycle gifts

Health Care

- Prevent illness by eating well, getting plenty of sleep, and exercising
- Quit smoking
- Shop for generic brands
- Obtain medical care at public clinics
- Avoid policies for special risks, such as cancer insurance
- If you are normally healthy, raise your insurance deductions
- Compare physicians and their office fees

Household Care

- If you use a cleaning service, shop around for a better deal or do the cleaning yourself
- After you apply your cleaning solution give it time to work before wiping it clean. This will allow you to use less cleaner over time.
- Use one cleaner with ammonia instead of specialty products
- Do any routine maintenance you can instead of hiring outside people – or, check your local shoppers guide for a handyman, possibly a senior citizen
- Use a sponge instead of paper towels

Housing

- Share housing with a friend or family member
- Move to a less expensive place to live
- When you buy a house, negotiate the sales price and closing costs
- A new coat of paint by your own hand will increase the value and beauty of your home (or apartment) and save you hundreds of dollars
- Buy a duplex – live in one of the units and rent out the other one
- Move yourself instead of using a moving service
- If you moving, get boxes for packing from local stores; they recycle most of their boxes

- If you use a moving service and your personal insurance policy covers damages during the move, don't purchase the insurance offered by the moving company
- If you use a moving service, pack your own boxes to reduce the cost and to minimize damage

Insurance

- Drop duplicate medical insurance
- Convert your cash value life insurance to term
- If your car has very little value, you probably only need liability insurance
- Shop around. Get referrals from friends, check the Yellow Pages or call your state insurance department. Service, such as a timely response, is just as important as price. Ask for quotes from at least three companies and check their complaint record with the National Association of Insurance Commissioners (naic.org).
- Know your history. When you ask for a rate quote, an insurer looks at your home's claim history. See what the insurer sees by ordering your CLUE report (Comprehensive Loss Underwriting Exchange). It's \$13 at choicetrust.com. You can challenge mistakes and submit updates.
- File fewer claims. With insurers raising rates and dropping policies if homeowners file frequent claims, you may be better off footing smaller repair bills.
- Cover yourself. Raising your deductible from \$500 to \$1,000 may cut your premium by as much as 25%.
- Maintain good credit. Insurers are increasingly using credit information to price homeowners' policies. You can get lower rates if you have good bill-paying and debt habits.
- Bundle policies. You may save 10% to 15% by buying your auto, homeowners and liability policies from the same insurer.
- Improve your home security. You can get discounts of 5% or more for smoke detectors, a burglar alarm, fire extinguishers and deadbolt locks. The break can be as much as 20% if you install a sprinkler system and a fire and burglar alarm that rings at a police, fire or other monitoring station.
- Seek discounts. Many insurers give discounts to longtime customers – typically 5% after three to five years and 10% after six years. Retirees, who are at home more than working folks and are less likely to be burglarized, may get discounts up to 10%.
- Also shop around for auto insurance discounts for multiple drivers, seniors, good driving records, etc.
- Review your policy once a year. Make sure your policy covers any major purchase or additions to your home. Remember that you'll need a rider or extra insurance for items such as expensive jewelry, computers and artwork, which aren't typically covered by standard homeowners insurance.
- Review policy limits and value of possessions. If you have extra insurance for a particular item, its value may have depreciated.

- Make a list of valuables. You can do it with a notebook, camera or video recorder. Record as much detail as possible, including date of purchase, and keep receipts so you know what you paid. Every time you buy a big-ticket item, add it to your home inventory, which should be kept outside your home – in a safe-deposit box, for example.
- Make your home more disaster resistant. Ask your agent about measures that reduce rates, such as adding storm shutters. Modernizing heating and air conditioning, plumbing and electrical systems could make a difference.
- Don't confuse what you paid for your house with rebuilding costs. The land itself isn't at risk from theft, fire and other perils. Don't include its value when deciding how much homeowners insurance to buy.
- Try for group coverage. Check if a homeowner's policy is available through your employer's group program or through membership in associations or organizations.
- Consider the cost of insurance before a new home purchase. You could pay less, depending on your location.

Kids

- Look for special savings plans through your financial institution
- Cut grass, rake leaves, or shovel snow to earn extra cash

Landscaping/Outdoor Care

- Water your garden at night or early in the morning
- Grow your own vegetables and herbs
- Compost to make your own fertilizer
- Some municipalities create mulch from yard recyclables and offer it for free to residents
- Buy lawn fertilizer and spread it yourself
- Do your own maintenance on your lawnmower
- If you use a lawn service, consider cutting your own lawn

Medical

- Ask for generic prescriptions instead of brand names
- Get pre-approval from your medical insurance company before undergoing any procedures or tests
- Buy no-frills vitamins
- Shop around for eyeglasses
- Ask your doctor for samples of prescriptions
- Shop around for prescriptions including mail order companies
- Go to an optometrist for routine vision tests or to change an eyeglass prescription
- Skip the annual full mouth X-rays unless there is a problem; the ADA recommends X-rays every 3 years
- If you owe money to a doctor or hospital, ask for a special payment plan
- Ask your doctor or hospital for a discount

- Make use of the medical tax credit or your employer's medical care flexible spending account

Personal Care

- If possible, cut or trim hair at home instead of at beauty shops
- Utilize the services of a beauty college to save money
- Use cleaners and moisturizers with basic ingredients – they cost less
- Utilize home remedies
- Do your own nails
- Take a five minute shower
- Exercise for free – walk, run, bicycle, or get free exercise videos/DVDs from the library
- Cut the kids hair yourself
- Use generic hair care products

Personal Money Management

- Compare credit costs
- Pay-off credit cards to avoid interest or, at least pay more than the minimum payment required
- Give children allowances for housework instead of just giving – have a predetermined percentage that they must save
- If you are having problems financially, seek the advice of professionals
- Know your income and expenses
- Set your goals to work toward
- Make a spending plan and stick to it
- Pay more than the minimum amounts against outstanding debts
- Refinance your mortgage at a lower rate
- Avoid using your ATM card at machines that charge a fee
- If your income is low, file for Earned Income Credit on your taxes
- Request lower interest rates from your creditors
- Pay your bills the day they arrive; many credit card companies charge interest based on your average daily balance
- Start an emergency fund and label it untouchable
- Check your credit report at least once a year
- The best way to save is to start small and stick to it. There are very few of us who can't afford to put away \$20 a week, which turns into almost \$100 per month and a \$1,000 per year.
- A 401(k) is an ideal way to save for retirement. Over an average working lifetime of 40 years, by saving just \$2.75 per day in a tax-deferred account, you would end up with more than \$1 million.
- Look for higher rates on your savings
- Increase savings through payroll deductions
- Use a debit card instead of a credit card especially if you maintain a balance on your credit cards

- Use credit cards that have reward programs that offer rewards that you will use
- Compare brokerage fees
- Avoid Non Sufficient Funds (NSF) fees by balancing your checkbook each month

Pets

- Use old newspapers for cat litter
- Contact your local Animal Control/Humane Society to find out about free animal vaccination programs and inexpensive spay/neuter options. These organizations want you to use their services and make it financially attractive to do so.
- Buy food in bulk
- Make your own pet toys

Phone

- Use a timer to shorten calls
- Make calls when rates are lower (evenings and weekends)
- Compare rates at long distance companies
- Eliminate extra services you don't need such as call waiting, speed dialing, etc.
- Use the phone book instead of directory assistance
- Write letters instead of making phone calls
- Talk less; email or instant-message instead
- Cancel long-distance service if you don't make a lot of calls. In its place, use a prepaid phone card with no expiration date.
- Don't choose a long-distance service based on the cost per minute or per month. Phone companies advertise low rates, and then hit you with fees. Before buying, get a list of all costs and check every bill to see what else turns up.
- Skip "inside wire maintenance" plans, unless your home wiring is a mess. This lightly used coverage costs about \$4 per month.
- Look at "bundled" deals if you use your phone a lot. They include local and long distance, plus your choice of services, such as high-speed internet, wireless, caller ID, call-waiting and so on – all for a flat monthly fee.
- Make sure your most-called numbers get the cheapest rate in your local service plan
- Cut the cord. Wireless service offers many free minutes every month plus extras for "feature junkies", so they're often cheaper than a land line. Beware though: cell phones don't work during electrical blackouts and lack conventional 911 services.
- Use free directory service on the Net. Calls to 411 or other directory numbers usually cost \$1 or more. Say no if the operator offers to connect you automatically "at no extra fee." You'll be charged at the higher per-minute rate.

Shopping

- Try generic brands
- Don't overspend on meats – use less expensive cuts and marinate

- Shop at farmers markets
- Pick your own fruits and vegetables at U-Pick farms
- Avoid paying with your credit card unless you can pay back the full amount within the billing cycle; otherwise, all your tricks for saving money at the grocery store just went to pay the interest
- Take advantage of weekly specials
- Buy fruits and vegetables in season
- Comparison shop through catalogs or by using your Yellow Pages
- Get hand-me-down toys and clothes for your kids from family and friends
- Borrow items for your newborn from your friends and family
- Buy old furniture at yard sales and refinish it yourself
- Shop in thrift stores
- Shop on double coupon days
- Don't be shy about pulling something out of the trash
- Buy pre-owned toys and children's books at garage sales
- Shop at auctions or pawn shops for jewelry and antiques
- Trade in old books, records, and CDs at book and record exchanges
- Don't go shopping when you're depressed, upset, or angry
- Avoid impulse buying
- Avoid last-minute shopping
- Consider purchasing holiday decorations in bulk and splitting the costs with friends and family members. These deals can add up to substantial savings.
- Buy quality durable goods like furniture and appliances for long term savings

Instead of Shopping...

- Listen to your favorite music
- Enjoy a long, warm bubble bath
- Go for a walk
- Relax outside
- Exercise
- Do stretching exercises
- Watch the sunset or sunrise
- Concentrate on a relaxing scene
- Write your thoughts and feelings in a personal journal
- Attend a favorite athletic event
- Read a special book or magazine
- Play a musical instrument
- Work with plants
- Learn a new skill
- See a special play, movie or concert
- Ride a bike or motorcycle
- Make a nutritious meal
- Draw or paint a picture
- Swim, float, wade or relax in a pool or at the beach

- Do aerobics or dance
- Visit a special place that you enjoy
- Take time to smell the roses, or any other flower that you enjoy
- Go horseback riding
- Enjoy a relaxing nap
- Visit a museum or art gallery
- Practice yoga
- Relax in a whirlpool or sauna
- Enjoy a cool, refreshing glass of water or fruit juice
- Enjoy the beauty of nature
- Play like you did as a child
- Star gaze
- Window shop
- Day dream
- Attend a special workshop
- Go sailing or paddle boating
- Create with clay or pottery
- Pet an animal
- Watch your favorite TV show
- Write a poem
- Make a bouquet of flowers
- Relax and watch the clouds
- Visit a park, woods or forest
- Phone a special friend
- Picnic in a beautiful setting
- Enjoy a cup of coffee or tea
- Play a board game
- Participate in a hobby
- Spend time playing and laughing with your child. Take walks, splash around in the bathtub or crawl around together on the floor.
- Play a video game

Technology

- Buy software at computer fairs
- Shop around for internet access
- Search the internet for freebies

Transportation

- Car pool
- Combine errands to make one trip
- Fill up gas tank and use cash
- Do routine maintenance on your car yourself
- Use public transportation if available
- Buy spare parts for your car at the junkyard

- Trade down your car for a less expensive, lower maintenance one
- Bicycle to work
- Buy a good used car instead of a new model one
- Shop around for auto financing
- Keeping your car properly tuned cuts down on gas usage
- Resist the temptation to have the latest model automobile
- To save money on gas, maintain the car's momentum. Scan the road ahead to anticipate when slowing will occur. Keeping your vehicle going at even a crawling pace will save you gallons over constantly starting and stopping.
- Don't buy higher grade gas unless your vehicle absolutely requires it
- Keep windows and sunroofs closed when driving your car at high speeds. You will improve your vehicle's aerodynamics and save money on gasoline.
- If possible, remove racks and other items of considerable weight from your vehicle. You'd be surprised at what an extra 50-100 lbs. can do to your gasoline consumption rate and your wallet.
- Walk whenever possible
- Put money aside each month for car repairs and maintenance so you don't have to use a credit line or credit cards to pay for these items. You won't have to pay the interest on the credit if you pay it off at the end of the month.
- If you use public transportation, buy a monthly pass instead of paying daily
- If you drive toll roads every day, buy a FAST PASS to reduce your average daily expenses

Utilities

- Set your thermostat to 64 and turn it down to 60 at night during the winter
- Set your thermostat to 72 and turn it up at night during the summer
- Replace 100 watt bulbs with 55 watt bulbs
- Hang your clothes out to dry instead of using the dryer
- Have the water company do an audit so you are not charged sewage fees for water used in your garden
- Use low flush toilets or water saving devices in the tank
- Turn the hot water heater down and wrap it with insulation
- Caulk windows and doors
- Don't use your dishwasher dry cycle; open the door and let them air dry
- If you are leaving a room for more than five minutes, turn off the light
- If your income is low, contact utility companies about reduced rates
- Clean the lint filter after every load to help your dryer perform more cost effectively
- Use your dryer and dishwasher late at night or early in the morning to avoid heating your house and adding additional energy expense
- Don't use too many extension cords. Energy you're paying for is lost as it travels the length of the cord. Larger appliances may not receive enough power through an extension cord, making them run longer, work harder, and cost more money.

- Clean your refrigerator's condenser coils twice a year to improve efficiency and to cut energy costs. Dusty coils make the motor run longer and work harder.
- Plant fast-growing shrubs and trees in front of your home's west side to help shade it and lower cooling costs. Three mature trees on the west and southwest sides of your house could save you \$50 to \$100 on your annual cooling costs.
- Replace standard incandescent light bulbs with fluorescent bulbs in areas where the lights are used often. Fluorescent bulbs can be more expensive to buy, but they provide more light for the dollar, last longer and give off less heat.
- Match the bottom of a pan size to your burner size when cooking on the stove to avoid adding heat to your home and wasting energy
- Keep refrigerators and freezers indoors. Refrigerators and freezers kept outside can cost almost twice as much to operate as their indoor counterparts.
- Service your air conditioning unit or heat pump at least once a year. A faulty A/C can be VERY expensive to use, and a maintenance expense is less costly than a major repair expense.
- Turn off your air conditioner if you leave your home for more than three days. If you have heat-sensitive electronic equipment (like computers), furnishings, or plants, leave the air conditioner on, but turn up the thermostat six degrees.
- Cook more than one dish at a time in the oven to improve efficiency
- When using the oven, bake with ceramic or glass cookware to reduce cooking time, and do not preheat the oven unnecessarily. Any recipe that takes more than one hour to cook can usually be started in a cold oven.
- Install cover plates on all electrical outlets in your home to improve insulation
- Keep light fixtures and bulbs clean
- Make sure there's room on the sides and top of your refrigerator to ensure efficient air circulation
- Don't use the top of the refrigerator as a storage shelf. Doing so traps heat and makes your refrigerator work harder.
- Install water flow reduction devices in the kitchen and bathroom
- Run only full loads in your dishwasher, washer and dryer
- Clean warm air registers, baseboard heaters and/or radiators. Make sure that carpeting, furniture or draperies are not blocking them.
- Have your ductwork checked for leaks. If you've got split or leaky ductwork, this can save you a bundle. You should keep all the warm air you're paying for.
- Change your return air filters once each month
- Consider storm windows or more efficient windows. Although sometimes expensive, these can pay for themselves.
- Lower your dishwasher and washing machine temperatures. They use hot water from your house supply and drain in a hurry. That's much more costly in cold weather.
- Consider propane for your heating needs
- Convert oil furnaces to natural gas
- To avoid frozen pipes disconnect all garden hoses outside of your home, even the ones attached to anti-freeze hydrants.

- To avoid frozen pipes cover water pipes that are exposed to freezing temperatures or drafts with insulation. Small water pipes will freeze quicker than will waste or sewer pipes.
- If there is plumbing in the garage, never keep the door open in severely cold weather to avoid frozen pipes
- Pipes laid underground should be below the frost line to prevent freezing.

Vacations/Travel

- Open a vacation club to save for your vacation
- Don't go deeper in debt for a vacation. Figure the cost of your last trip, divide by 12 and put that amount away each month.
- When planning travel, be careful of 'bargains' that have cancellation fees.
- Flexible travel schedules can get you big savings on airfares for last minute flights
- Check out 'frequent flyer/travel' programs for savings on vacations
- Camp instead of staying at a hotel
- Check out restaurants that have 'early bird' dinner rates
- Consider travel and vacation in the off-season
- Check the travel section of the newspaper for coupons and travel deals
- When renting a car, refill the tank on your own before returning it
- Check your personal auto policy to see if you are covered when renting a car. If so, don't take out the insurance that the rental agency offers.
- Drive to a destination point instead of flying
- Consider using a train instead of a plane if you have the time
- Pack your own snacks to eat at the airport
- Buy your airline tickets at least three weeks ahead of schedule to get a good rate
- Buy groceries on vacation to save on restaurants for breakfast and lunch

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