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Consumer alert

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Consumer Alert



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When you really shouldn't have!

Picking safe toys this holiday season



Millions of toys are out there, and hundreds of new ones hit the stores each year. Toys are supposed to be fun and are an important part of any child's development.

But each year scores of kids are treated in hospital emergency rooms for toy-related injuries. Choking is a particular risk for kids ages 3 or younger, because they tend to put objects in their mouths.

Manufacturers follow certain guidelines and label most new toys for specific age groups. But perhaps the most important thing a parent can do is supervise play.

The U.S. Consumer Product Safety Commission (CPSC) closely monitors and regulates toys. Any toys made in — or imported into — the United States after 1995 must comply with CPSC standards.

Here are some general guidelines to keep in mind when toy shopping:

- ⇒ Toys made of fabric should be labeled as flame resistant or flame retardant.
- ⇒ Stuffed toys should be



In this Issue:

- 10 tips for giving to charities
- The Scrooges and Angels List
- Shopping tips to survive the holidays

washable.

⇒ Painted toys should be covered with lead-free paint.

⇒ Art materials should say nontoxic.

⇒ Crayons and paints should say ASTM D-4236 on the package, which means that they've been evaluated by the American Society for Testing and Materials.

Steer clear of older toys, even hand-me-downs from friends and family. Those toys might have sentimental value and are certainly cost-effective, but they may not meet current safety

Continued Page Five

A hand out, not a stick up! Make sure your charitable donations go to the right cause, for the right purpose

The holiday season is a boon for charities, as many often collect the majority of their donations for the year during the months of November and December.

The Department of Consumer Affairs encourages giving to the less fortunate and supporting charities and nonprofits; however, before you give over your hard earned money, be sure the charity you're supporting is legitimate.

This is easier said than done, as it is often very difficult to tell the good guys from the bad guys in the world of philanthropy. Even nonprofits that aren't outright frauds may go to great lengths to conceal how they spend their money.

Still legitimate charities need your money, and many of us feel obliged to redistribute the wealth of a good year. You need to be careful when giving out money.



A couple of tips regarding charities

Hang up on telemarketers. It may seem convenient to give over the phone, but it's a bad idea in so many ways. Not only can you be easily scammed into giving your credit card number to a stranger, but any charity that pays telemarketers is probably spending too much on fund-

raising.

Ignore pleas to help cops and firefighters. Scams abound in this corner of the fund-raising world. Besides it's not the old days when the widows and children of these public servants were routinely left penniless. These days their benefit packages are typically some of the best around. Additionally, often the donation you

Continued Page Three

SURVIVE

The holiday season with these shopping tips

The holiday season is just around the corner.

For many of us it's a time of excess – too much to eat, too many gifts to buy – but if you practice some good consumer skills you'll make it through the holidays with your budget, if not your waistline, intact.

The following are eight hints on how to smartly approach the holiday shopping season.

Time your buying

Avoid waiting until the last minute when you'll be rushed for time and unable to shop around for the best deal.

Avoid Midnight Madness sales, which can be high risk propositions with deep discounts on a limited number of hot ticket items. Sales are first come, first served, which could mean hours of waiting in line or leaving the store empty handed.

A good time to buy is the day after Thanksgiving and the following Monday, a time when merchants heavily discount items to get a jumpstart on the season. Also shop in the morning when the crowds are lighter, giving you a better selection and a little peace and quiet to think about what you're purchasing.

There's big money to be saved online

There are a large number of websites that will do price comparisons for you. BizRate, DealTime, Google Product Search, MySimon, Shopping.com, Shopzilla, Amazon.com, and Yahoo Shopping are just some of the sites that do this. If you're shopping online, try sorting the results by price so that you know immediately who's offering the best deal. You can also download coupons from a number of sites, including FatWallet and DealTaker.com, but be careful to avoid fraudulent coupons.

Watch out for bank gift cards

They're more likely to expire and tack on fees than cards offered by individual retailers. Some cards depreciate in value if unused. In general when giving a gift card, it's wise to pass along the receipt, too, in case the card is lost and needs to be replaced. Also consider cash, which gives the receiver more options and is a near sure-deal to be used.

Millions of dollars every year are left unused on gift cards. Hey – you want them to use the gift, right?

Put the gift receipt with the gift.

Gift exchanges do happen, so be prepared by providing a gift receipt. That will ensure that the recipient gets a proper store credit. Purchases made in November and December are often eligible for extended return or exchange privileges.

Continued Page Six

CONTINUED: **A handout not a stick up! Make sure your charitable...**

give doesn't directly benefit police or firefighters, but rather goes to their respective unions.

If you really have your heart set on helping your local firefighters or cops, be proactive: Take the time to call the department, find out if it has an official foundation or benevolent fund, and send your money there.

If you want to deduct your donation, make sure you're not sending money to a union lobbying group or a fund that benefits specific people.

Avoid car donation charities. This is another really awful idea for virtually everyone except the for-profit junkyards and auction houses that process the cars — and that benefit handsomely from your donation.

The charities receive as little as \$100 per car and that great write-off you think you're getting may only serve as a red flag to the IRS, which believes too many taxpayers are exaggerating the value of their donations.

Of course, you may not get a write-off at all — only people who itemize their deductions can take a tax break from donating their cars. That means most taxpayers aren't eligible, since they take the standard deduction.



Don't let a deceptive charity steal your holiday cheer.

10 Tips for giving to charities

1. KNOW YOUR CHARITY

Charities have an obligation to provide detailed information to interested donors. Never give to a charity you know nothing about. Request written literature and a copy of the charity's latest annual report. This should include a list of the board of directors, a mission statement and the most recent available audited financial statements with accompanying notes.

If a charity does not provide you with the information you request, you may want to think twice about giving to it. Honest charities typically encourage your interest and respond to your questions.

2. FIND OUT WHERE YOUR DOLLARS GO

Ask how much of your donation goes for general administration and fundraising expenses and how much is left for the program services you want to support. American Institute of Philanthropy's (AIP) Charity Rating Guide recommends that in most cases 60% or more of your charitable donation should go to program services. Less than 40% should be spent on general administration and fundraising costs. Keep in mind that newer groups and those that are working on less popular issues may find it necessary to spend a greater percentage on fundraising and administrative costs than well-established, popular groups.

Attempt to seek more information about charities that identify "public education" as large portions of their direct mail and telemarketing expenses. This may be done in some cases to disguise high fundraising costs.

It is difficult to find out the real percentage of donor dollars spent on program services due to the inconsistent quality of charitable self-reporting. But you can ask the charity's representative for specific information, such as how many individuals were served annually or what were the major program accomplishments during the past year.

Continued Page Four

Pick from the American Institute of Philanthropy's (AIP) "Top Rated" List.

The AIP is probably the hardest to please of the charity watchdogs. The AIP maintains a top rated list of charities graded at an A+ through B by their standards (<http://www.charitywatch.org/toprated.html>).

How to get charity data quickly and cheaply

Charities are allowed to charge a nominal fee to copy their 990s. If you want a cheaper or faster look, here are a few places to try:

GuideStar has data on more than 850,000 IRS-recognized nonprofits and posts 990 forms for many. Access to 990s is available with free registration.

They offer financial summaries and other data to help consumers investigate and compare charities, but it is not a charity watchdog. GuideStar's position is that donors can use its databases to decide for themselves.

The California Attorney General has online records for many charities and commercial fundraisers.

Continued Page Six

CONTINUED: 10 Tips for giving to charities



3. DO NOT respond to pressure

Do not let yourself be pressured into contributing on the spot. If you are not familiar with a charity, request additional information in writing. Inspect it carefully and write a check if you decide to donate. You have a right to say no. No legitimate organization will pressure you to give immediately.

4. KEEP RECORDS of your donations

Do not give cash. Also, do not give your credit card number to a telephone solicitor or Internet site that you do not know. Be sure to obtain a receipt or printed copy of your donation, so you will have a record for tax purposes.

For tax purposes, you will need to keep a record of all your contributions of any amount. For contributions under \$250, records may be in the form of a bank record, cancelled check, or written communication from the charity. The written communication may be in the form of receipt or letter that must contain the charity's name and the amount and date of the contribution.

For all tax-deductible contributions of \$250 or more, the IRS requires that you obtain a receipt from the charity (a canceled check will not suffice).

5. Remember: "tax exempt" DOES NOT ALWAYS mean "tax deductible"

Not all charities soliciting for "good causes" are eligible to receive tax-deductible contributions. "Tax exempt" means the organization does not have to pay taxes. "Tax deductible" means the donor can deduct contributions to the charity on his or her federal income tax return.

6. Do not be MISLED by a CHARITY'S FAMILIAR NAME

Some questionable charities use an impressive name,

which closely resembles the name of a respected, legitimate organization. Ask for information in writing. Check out the charity with AIP or other watchdogs or check with your state charity registration office before making a contribution.

7. Do not be enticed by EMOTIONAL APPEALS

Beware the pathetic "sob story." The hard-luck appeal is a favorite of some organizations. Question phone solicitors or direct mail appeals that tell you nothing of the charity or offer vague explanations for spending your charitable dollars.

8. ASK if the charity is registered by federal, state and/or local authorities

Nearly all non-church charities with more than \$25,000 per year in income must file financial information annually with the IRS. Currently 39 states and the District of

Columbia require that charities register annually. Bear in mind that registration in and of itself is not a stamp of government approval or endorsement of the charity.

Scrooges and Angels

For 13 years the South Carolina Secretary of State has compiled the Scrooges and Angels list of the best and worst charities to give money. To view the list visit their website www.scsos.com/Public_Charities/Scrooges_and_Angels or give them a call at 803-734-1790.

9. BEWARE of charities offering GIFTS

Direct mail solicitations are often accompanied by greeting cards, address stickers, calendars, key rings or other "gifts." Do not feel that you have to make a contribution to keep these "gifts." It is against the law for a charity to demand payment for any unordered merchandise.

10. DON'T BE DISCOURAGED, give as much as you're comfortable with

Once you are satisfied that the charity is worthwhile, give generously if you can.

There are many good charities that need your help to operate valuable programs and provide needed services. When you give wisely, you will be giving more effectively.

CONTINUED: Picking safe toys this holiday season

standards and may be so worn from play that they can break and become hazardous.

And make sure a toy isn't too loud for your child. The noise of some rattles, squeak toys, and musical or electronic toys can be as loud as a car horn — even louder if a child holds it directly to the ears — and can contribute to hearing damage.

The Right Toys at the Right Ages

Always read labels to make sure a toy is appropriate for a child's age. Guidelines published by the CPSC and other groups can help you make those buying decisions. Still, use your best judgment — and consider your child's temperament, habits, and behavior whenever you buy a new toy.

You may think that a child who's advanced in comparison to peers can handle toys meant for older kids. But the age levels for toys are determined by safety factors, not intelligence or maturity.

Here are some age-specific guidelines to keep in mind:

For Infants, Toddlers, and Preschoolers

⇒ Look for toys that are sturdy enough to withstand pulling and twisting. Make sure that eyes, noses, buttons, and other parts that could break off are securely attached.

⇒ Make sure squeeze toys, rattles, and teethingers are large enough that they won't become lodged in a child's mouth or throat, even if squeezed into a smaller compressed shape.

⇒ Avoid toys with cords or long strings, which could present strangulation hazards to young kids.

⇒ Avoid thin plastic toys that might break into small pieces and leave jagged edges that could cut.

⇒ Avoid marbles, coins, balls, and games with balls that are 1.75

inches (4.4 centimeters) in diameter or less because they present choking hazards.

⇒ Since choking is such a big risk in the early years, if your child is 3 years old or younger, consider buying a small-parts tester, also known as a choke tube. These tubes are designed to be about the same diameter as a child's windpipe. If an object fits inside the tube, then it's too small for a young child.

For Grade-Schoolers

⇒ Bicycles, scooters, skateboards, and inline skates should never be used without helmets that meet current safety standards and other recommended safety gear, like hand, wrist and shin guards. Look for CPSC or Snell certification on the labels.

⇒ Nets on athletic equipment should be well constructed and firmly attached to the rim so that they don't become strangulation hazards.

⇒ Toy darts or arrows should have soft tips or suction cups at the end, not hard points.

⇒ Toy guns should be brightly colored so they cannot be mistaken for real weapons, and kids should be taught to never point darts, arrows, or guns at anyone.

⇒ BB guns or pellet rifles should not be given to kids under 16.

⇒ Electric toys should be labeled UL, meaning they meet safety standards set by Underwriters Laboratories.

Keeping Toys Safe at Home

After you've bought safe toys, it's also

important to make sure kids know how to use them. The best way to do this is by supervising play. Playing with your kids teaches them how to play safely while having fun.

Parents should:

⇒ Teach kids to put toys away.
⇒ Check toys regularly to make sure that they aren't broken or unusable.

⇒ Wooden toys shouldn't have splinters.

⇒ Bikes and outdoor toys shouldn't have rust.

⇒ Stuffed toys shouldn't have broken seams or exposed removable parts.

⇒ Throw away broken toys or repair them right away.

⇒ Store outdoor toys when they're not in use so that they are not exposed to rain or snow.

⇒ And be sure to keep toys clean. Some plastic toys can be cleaned in the dishwasher, but read

Continued Page Six



CONTINUED: Survive the holiday season with these shopping...

Know what they want. Get what they want.

A recipient returning electronics gear in an opened box might pay 10 to 15 percent or more of the purchase price as a restocking fee. Computer software, music CDs, and movie DVDs generally can't be returned or exchanged for another title once the seal is broken.

Look for rebates and then make sure you follow through with cashing them in

Shoppers who are entitled to a rebate should act fast. Four out of 10 people eligible for rebates forget to collect the necessary paperwork, follow the wrong procedure, or wait too long to file. What shoppers will typically need is the product serial number, a sticker or label, an original receipt, UPC code cut from the carton, and an official form.

Avoid priority shopping

Using last year as a barometer, the deadline for free shipping from major retailers will expire about December 18. Keep in mind that ordering one-day service can add \$20 or more and doesn't guarantee delivery within 24 hours. The arrival date is calculated from the moment the package is shipped, so factor in two or three days of processing time.

Say no to extended warranties

Research shows most products don't break during the first three or four years of ownership. If breakage does occur, the repair cost is typically about the same as the warranty cost. For added protection at no cost, buy with a credit card. Consumers can extend the manufacturer's original warranty free for up to one year with most gold and platinum cards.

CONTINUED: Picking safe toys...

the manufacturer's directions first. Another option is to mix antibacterial soap or a mild dishwashing detergent with hot water in a spray bottle and use it to clean toys, rinsing them afterward.

Reporting Unsafe Toys

Check the CPSC website for the latest information about toy recalls or call their hotline at (800) 638-CPSC to report a toy you think is unsafe. If you have any doubt about a toy's safety, err on the side of caution and do not allow your child to play with it.

About the South Carolina Department of Consumer Affairs

Established by the Consumer Protection Code in 1974, the South Carolina Department of Consumer Affairs represents the interest of South Carolina consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement, and education. For more information on the SCDCA, visit www.scdca.gov.

Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education. The Department strives to be a **CREDIT** to our State by holding the following values as essential in our relationships and decision-making:

Competence **R**espect **E**quality **D**edication **I**ntegrity **T**imeliness

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A handout not a stick up! Make sure your charitable...

The IRS doesn't have Form 990s available online, but you can write to its Ogden, Utah, service center and request them. While you're waiting for the report to arrive, you can check Publication 78, to make sure the charity is properly registered as a tax-exempt entity.

AIP's Charity Rating Guide gives letter grades (A through F) to 500 of the better-known nonprofits and is available for \$3. Send the check to the American Institute of Philanthropy, P.O. Box 578460, Chicago, IL 60657.

The BBB Alliance for Wiser Giving has reports for more than 600 charities on its Website. The BBB standards are often looser than AIP's, and there are no letter grades: Charities either meet the BBB standards or they don't.