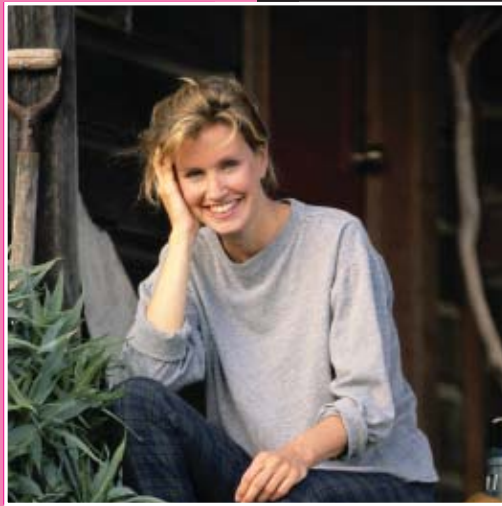


WOMEN AND MONEY



A free publication provided by
Consolidated Credit Counseling Services, Inc.
A nonprofit educational credit counseling
and debt management organization.

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CONSOLIDATED
CREDIT COUNSELING SERVICES, INC.
A Nationally Recognized Non-Profit Organization

Congratulations on taking this important step to a brighter financial future. Consolidated Credit Counseling Services, Inc. has been helping Americans across the country solve their credit and debt problems for more than a decade.

Our Educational Team has created over twenty publications to help you improve your personal finances. By logging on to www.ConsolidatedCredit.org you can access all of our publications free of charge. We have the tools to help you become debt free, use your money wisely, plan for the future, and build wealth. The topics Consolidated Credit addresses range from identity theft and building a better credit rating to how to buy a home and pay for college. On our web site you will also find interactive credit courses, a “Best of the Web” debt calculator, a personalized budgeting tool, and much more.

We are dedicated to personal financial literacy and providing a debt-free life for Americans. If you are overburden by high interest rate credit card debt then I invite you to speak with one of our certified counselors free of charge by calling 1-800-253-8708 for professional advice. We also have partnership programs available where groups, businesses, and communities can hold financial workshops and received free money management guides and workbooks like the one you are reading now. Please call 1-888-253-8709 if you would like to discuss pursuing a personal financial literacy program.

Sincerely,

A handwritten signature in black ink that reads "Gary S. Herman". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Gary Herman

President

Consolidated Credit Counseling Services, Inc.

When it comes to women and money, the news can be gloomy. We live longer, we earn less, and are less secure in retirement. But the news isn't all bad, because women can also be terrific budgeters, investors, savers and entrepreneurs.

Take women business owners as an example. In *Millionaire Women Next Door*, Thomas Stanley profiles female entrepreneurs who have become millionaires. Here are some of the things he learned about these women in his research:

- Nearly all are homeowners, and one in three owns her home outright.
- They are significantly more likely than men to have a detailed accounting system for tracking household expenses, research stocks more thoroughly, and have a well defined set of both short and long-term investment goals.
- Total average income is a whopping \$413,960 and these women earn 71% of the household income.
- They are frugal, and certainly more frugal than men.
- Their average age is 52
- Eight out of ten are mothers
- Half of those who are currently married have been divorced at least once.

Sure, the deck may be stacked against us a bit, but with some planning, hard work and a willingness to learn, women can be financially successful and independent.

If you want to be financially successful, the first thing you have to tackle is the family budget. As we just mentioned, millionaire women are good at budgeting and they are frugal. (And frugal, by the way, means wise with money, not necessarily cheap.)

You need to know where your money is going. If you haven't done so already, start tracking your spending and create a budget. If you have a family, involve them in the process. Visit the Learning Center at ConsolidatedCredit.org for helpful booklets on budgeting.

Once you have created your budget and started tracking your expenses, you'll want to find ways to get the most for your money. Consolidated also offers helpful brochures on spending. The less you spend, the more you have to save and invest. So don't be afraid to clip coupons or commit your family to turning the lights out when they leave a room. Every little bit helps!

Be A Smart Spender

- Women control \$3.3 trillion in annual consumer spending
- Women make 62% of all car purchases
- Women take more than 50% of all business trips

Earn Your Worth

- Women earn 77 cents for every dollar men earn on average for full time, year round work
- Women earn less than men in almost every type of industry, including highly paid professions like doctors and lawyers.

Working women are much less likely than men to negotiate pay on a job, and then are less likely to ask for a raise. Research has found that women's salary expectations are between 3 and 32 percent lower than those of men for the same jobs. Men expect to earn 13 percent more than women during their first year of full-time work and 32 percent more at their career peaks.

If you are going to work for someone else, it's important to research pay rates for the type of work you do (start at salary.com), to negotiate your starting salary, and to develop the skills you need to ask for and get a raise. If you don't, you not only

shortchange yourself in your current job, but also in terms of your lifetime earnings. In fact, statistics show that women who consistently negotiate their salary increases have been found to earn at least \$1 million more during their careers than women who don't.

If you're a mom looking to balance career and family, check out Working Mother Magazine's list of Best Companies for Working Moms (www.workingmother.com). If you're looking for a great work environment with benefits or the opportunity for advancement, Fortune magazine also publishes an annual list of the 100 Best Companies to Work For (www.fortune.com). Finally, if your company offers tuition reimbursement, take advantage of it and take classes to increase your salary and marketability.

Perhaps you just can't seem to find a job that gives you the flexibility or opportunity you want. Starting your own business may be your ticket to financial independence. It isn't always easy, but you can often test the waters by starting a small business part-time or from home, and grow at your own pace. A terrific resource for small business advice is SCORE, which provides free business planning and consulting advice. Visit www.Score.org for

more information. Be very careful, though, about work at home opportunities that promise lots of money for little work – especially if they also require a large upfront investment.

Get Your Credit In Shape

- Women file bankruptcy at 662% times the rate they did twenty years ago.
- Women shoulder the largest burden when their family is in financial trouble. Three quarters of wives assemble the paperwork for credit counseling alone, and women are twice as likely as their husbands to pay the bills and deal with bill collectors.

The single greatest predictor of whether a woman will end up in financial ruin is if she has children, according to bankruptcy researcher Elizabeth Warren, writing in *The Two Income Trap*. Plenty of parents know how expensive children can be, but that does not mean that you shouldn't have children. However, the added financial responsibilities of parenthood mean that since you do have children you should budget more carefully and be extra vigilant about avoiding debt and setting aside money for emergencies.



It is also important to maintain your own credit history, and try to keep it strong. Too often women want to help their loved ones (including spouses) by cosign-

ing loans, lending them money, or taking over the bills. This can prove detrimental to your credit rating.

No one wants to think their marriage won't make it. But the truth is, debt and money troubles are cited as one of the major reasons for divorce. Do not cosign loans for a partner or spouse with a bad credit history. You could end up with debt that lasts longer than the marriage. Even if you stay together, it is important to have one spouse with a strong credit history and a low debt ratio – especially in case of emergencies.

Check your credit history at least once every year (you are entitled to one free credit report each year) and if it is less than perfect, start the process of correcting errors and rebuilding your credit. It is never too late! Visit ConsolidatedCredit.org for free publications about credit reports and scores, as well as a myriad of topics including divorce and credit.

If your family is digging itself into debt, don't be shy about asking for help. Even if your spouse isn't willing to acknowledge the problem, it's important to obtain advice before the situation becomes so bad that you have no choice but to file bankruptcy. For a free, confidential consultation on your debt situation, call Consolidated Credit Counseling Services Inc. at 1-800-210-3481 or visit www.ConsolidatedCredit.org.

Plan For Tomorrow

- Women rely on Social Security to provide half of their total income if they are unmarried at age 65 and older. In contrast, Social Security benefits comprise only 37 percent of unmarried men's retirement income and only 34 percent of elderly couples' income.
- Women live longer, with an average life expectancy of almost 80 years compared to 74.5 for men.
- Women represent 58 percent of all Social Security beneficiaries age 62 and older and approximately 71 percent of all beneficiaries age 85 and older.
- Women are unlikely to have pension income. Only 18 percent of women aged 65 or older receive their own pensions (either as a retired worker or survivor), compared to 31 percent of men.

Realize that it is never too late to start saving for retirement. Start small if you must – just start, urges Ruth Hayden, author of *Start Where You Are*. Even if you're at or approaching traditional retirement age (55-65), you may still have 25 to 30 years for your investments to grow.

Women can be excellent investors if they take the time to learn. If you haven't had the time or opportunity to study the stock market yet, join or start an investment club with other women. Many women-only clubs have excellent track records. It is inexpensive to get started, and you'll develop skills that will help you make better decisions about your retirement funds. Visit www.betterinvesting.org for information on investment clubs.

Take Care of Your Loved Ones

A recent WomensWallStreet.com survey revealed that only 42% of women have a will. What would happen to your family, your property, or your children if you died? Don't leave it to chance. If you cannot afford an attorney, then at least visit Nolo.com for inexpensive software that will allow you to prepare your own will. Wills do not have to be prepared by an attorney to be legally binding. Simply writing (or dictating to a competent writer) your

wishes in the presence of a witness will suffice, in an urgent situation. Independent paralegal services can also assist in will preparation.

It's also important to have adequate insurance. Take life insurance, for example. If you work outside your home, your family would need to replace your income if you die. They may also have to hire someone to handle the household duties you take care of. If you don't work outside the home and have children, your family would still likely incur expenses to hire someone to do what you do (and chances are you're very underpaid!) Life insurance may be much more inexpensive than you realize.

You will also need disability insurance if your family relies on your income. You are more likely to become disabled than to die before age 65. If your employer provides a disability insurance policy, consider purchasing one. If not, shop for your own disability policy through an insurance agent.

Educate Yourself

For more inspiration and advice, visit your local library or bookstore for some of these helpful books:

From Money Shy to Money Sure by Olivia Mellan

How to Turn Your Money Life Around by Ruth Hayden

It's Your Money: Achieving Financial Well-Being by Karen McCall

Secrets of Six-Figure Women: Surprising Strategies to Up Your

Earnings and Change Your Life and Prince Charming Isn't Coming

both by Barbara Stanney

Why Good Girls Don't Get Ahead... But Gutsy Girls Do : Nine Secrets

Every Working Woman Must Know by Kate White

Women Don't Ask: Negotiation and The Gender Divide by Linda

Babcock and Sara Laschever

About the author

*Gerri Detweiler is Consolidated's educational director. She has written numerous books including *The Ultimate Credit Handbook*, which was featured in *Money* magazine as one of the five best new personal finance books of the year when released. Gerri has been quoted in thousands of publications including *The New York Times* and *The Wall Street Journal*. She co-hosted an award-winning syndicated financial radio program, and has been a guest on *The Today Show*, *Dateline NBC*, the *CBS Evening News*, and *CNN*. Gerri has testified before Congress and lobbied on behalf of consumers protection measures. She is the former executive director of *Bankcard Holders of America*, as well as a policy director for the *National Council of Individual Investors*. She has also served on the *Board of Directors for the National Coalition for Consumer Education* as well as *Experian's Consumer Advisory Council*.*





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will negotiate directly with
your creditors to:**

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- Help you pay off debt faster.
- Rebuild your credit rating.
- Save you thousands of dollars.
- Get you on a plan to be debt free!

Call today, and take
your first step
toward financial freedom!

1-800-210-3481



You can be debt free



There is help waiting for you now.

- Reduce or eliminate interest charges.
- Consolidate credit card bills into one lower monthly payment.
- Pay off your debt in half the time.
 - Save thousands of dollars.



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