



CA Commission on the Status of Women
www.women.ca.gov



CA Department of Business Oversight
1-866-275-2677
www.dbo.ca.gov

Education and Outreach

The DBO's education and outreach programs provide tools to make smart financial decisions, so consumers can operate safely in the financial marketplace.



Financial Tips for Women

Educate Yourself

Empowering yourself to take control of your finances is an important part of economic health. And, whether you consider yourself an "investor" or not, the fact is that everyone invests money by the simple act of spending it.

Look for quality financial information from neutral, reputable sources such as governmental and non-profit websites and publications, **not** from salespeople. When making a financial decision, be sure to evaluate alternatives. Compare fees and services. For example, if you're looking to open a savings account, consider different banks and credit unions to see which offers the products and services most important to you at the lowest cost. If you're shopping for a loan, take the time to compare interest rates and fees.

Good sources for financial information include the Federal Citizen Information Center <http://www.pueblo.gsa.gov>, the US Financial Literacy and Education Commission <http://www.mymoney.gov>, Kiplinger and Yahoo Finance. Find workshops sponsored by government agencies, community colleges or adult schools, and attend with family or friends. And **always** check the licensing status of any financial professional **before** you entrust them with your money. Contact the DBO (or other appropriate licensing agency) for assistance.

**"Financial knowledge
is financial power"**

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Set Financial Goals

Make it a regular habit to set financial goals, and when you reach them, set new ones. If long-term goals seem too overwhelming, set short term goals instead, so that it's easier to measure your progress. As with exercise and nutrition, some people find it's best to set daily or weekly objectives. Examples: "I will save \$50 this paycheck," or, "Today, I will bring my lunch rather than eat out, and save \$10."

Get Out of Debt

Not all debts are created equal. Some debt, such as home loans or student loans, may offer tax write-offs and enable women to achieve greater wealth or earning power. Other debt, such as credit card debts, offers no such benefits. If you have credit card debt, try to pay the entire balance every month. Or pay more than the minimum monthly payment. Either way, you will reduce your interest costs. If you are experiencing financial difficulty, contact creditors before payments are due. Ask creditors to waive fees, reduce the interest rate, or work with you to create a payment schedule that will work with your budget.

Save, Save More, and Keep Saving

Many people consider themselves spenders, not savers. But saving should be viewed as **spending for your future**. Everyone needs a nest egg

or rainy day fund. It's easiest to start small—regularly deposit even a modest amount into an interest-bearing savings account. Soon you'll have a special savings fund that can help you handle unanticipated expenses.

Manage Your Own Finances

In the past, many women were less experienced at managing finances than men. Even today, some women depend on their partner/spouse's income and financial expertise. If something happens, such as job loss, separation, divorce, or the death of a spouse, women may be left with few financial resources and a mountain of debt. That's why it's important to learn how to manage your own finances and increase your financial literacy. A good way to do this is to establish and manage your own checking, savings and retirement accounts.

Plan for Retirement Now

The sooner you start planning for retirement, the better. Don't put off saving for retirement or leave it up to someone else to make those decisions. This is especially important for women, since women tend to live longer and earn less than men, and often have career gaps due to family responsibilities. As a result, women often receive lower pensions and have fewer assets in retirement. If you already have a retirement plan, increase your contributions or open a second

account if at all possible. If you haven't started, attend retirement workshops hosted by your employer, or non-profits, government agencies, community centers, or other non-commercial entities to learn more about your options. Review your Social Security benefits and use the on-line retirement calculator: www.ssa.gov

Protect Yourself from Fraud

If a financial opportunity sounds too good to be true, it most likely is. Don't believe promises of quick profits or "insider" information, and don't fall for urgent warnings that "you must act now." Always verify that paperwork matches promises, and **never** sign a blank form. Be sure to ask how a financial services professional receives compensation. For example, do they receive an up-front fee, or do they earn commissions or bonuses based on the the cost or amount of products they sell? Unethical salespeople may try to switch interest rates, terms and conditions, or change other important financial details. And remember it's a bad sign if a salesperson won't allow you time to compare prices and features or explore other options. These tactics are warning signs of fraud. Consider diversifying the types of accounts you use for your investments as well as the institutions that hold your money. Also, review your telephone bills, credit card bills, cell phone bills and other accounts

to be sure you're not being charged for a product or service you didn't order or don't need.

Safeguard your Personal Information

Request and review your credit report at least once every year, and look for accounts you don't recognize (especially new accounts), suspicious charges, or any addresses where you've never lived. To get your **free** credit report, go to www.annualcreditreport.com. Make it a practice to regularly review your bills, financial statements, files and records. Shred (don't toss) cancelled checks, credit card statements, old bills and other financial papers you no longer need. When creating passwords, don't use your mother's maiden name, pet or children's names, birth or anniversary dates, phone numbers, consecutive numbers, or the last four digits of your Social Security number.

