

MINORITY WOMEN AND RETIREMENT INCOME

Pay	Pensions
Pay to the Order of	Date <i>Future</i>
<i>Your Name Here</i>	Amount <i>???</i>
_____ Dollars	
Social Security	Savings & Investments
For <i>Your Future Security</i>	_____

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Savings and Investments*

May 2008



*WISER's mission is to improve the long-term financial security
of all women through education and advocacy.*

*WISER supports women's opportunities to secure pensions
and adequate retirement income through research,
workshops and partnerships.*

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Minority Women & Retirement Income includes data specific to minority women when the data is available. When data is not available, the report uses data on all women or all members of a race or ethnic group.

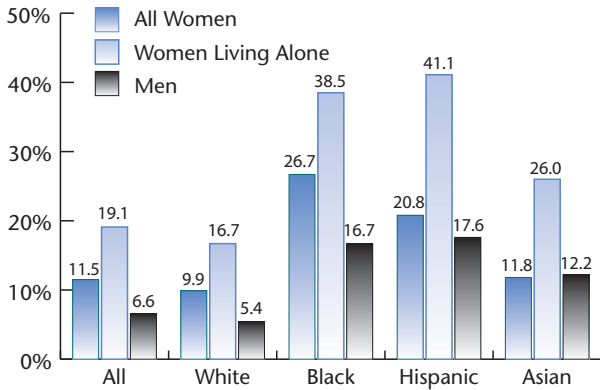
INTRODUCTION

The Challenges for Minority Women

Retirement planning is important for everyone, but it's especially important—and challenging—for minority women.

Despite the overall decline in poverty rates among older Americans during the last several decades, many older women remain poor—in 2006, 11.5 percent of women age 65 and older were poor compared to 6.6 percent of the men in this age group (Census, 2007). And the likelihood of a woman being poor in retirement increases with age.

Figure 1: Poverty Rates Among Minority Women and Men 65+



Source: Census, 2007

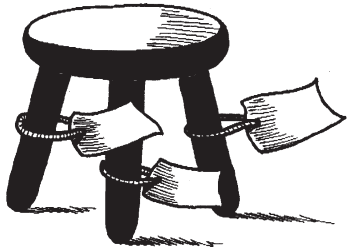
The poverty rate for single Black women over age 65 is 38.5 percent, and for single Hispanic women it is 41.1 percent—over twice the rate of White women, 16.7 percent (Census, 2007). (In 2006, the poverty threshold for an individual age 65 and older was \$10,488.)

Supplemental Security Income (SSI) is a federal poverty program. The federal benefit for individuals in 2006 was

\$603 per month — significantly below the poverty threshold. Social Security Administration data show that of the more than seven million recipients of SSI, more than four million were women, and of those women, more than one-third were over age 65 (SSA, 2007B).

Overview

From a practical point of view, all of the income from pensions, Social Security benefits, and personal savings and investments can be looked on as a “future paycheck.” Experts often refer to these three sources of retirement income



that will provide your future paycheck as the “three-legged stool.” The idea is that if an individual receives income from each of the three legs of the stool, she will be secure in retirement. If one of the legs of the stool is missing or is not financially sound, the stool will be unable to support an adequate retirement.

The reality is that many women rely on Social Security as their primary source of income in retirement. In fact, Social Security is the only source of retirement income for 59 percent of unmarried Black women and 58 percent of unmarried Hispanic women over age 65. The problem is that Social Security was not designed to be a retiree’s sole source of support, but instead was meant to provide only a “minimum of protection” (SSA, 2006).

Private pensions—the second leg of the stool—provide additional income to some women. But less than half of all working people are covered by private pensions. A much smaller proportion of women than men, and even fewer minority women, receive any income from pensions when they retire. Less than 25 percent of women age 65 and over received private pensions in 2004;

among this small group, the median annual income from these pensions was only \$4,501, compared to \$9,855 for men (Census, 2007).

If a woman works full-time, has high earnings, and her employer offers a retirement plan, she's as likely as a man is to participate in it. But, women are twice as likely as

men to work part-time in jobs without retirement benefits.

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Finally, there's the third leg of the retirement stool—individual savings and investments. But 62 percent of Black and Hispanic women say lower earnings often leave them with few resources to invest. The 2005 National Women's

Retirement Survey reported that women usually have little or no money left to save for retirement after paying their bills (Heinz, 2005).

Income of Older Women

Minority women live longer, on average, than men and therefore need more resources to support themselves in retirement. However, on average, minority women have less than half of the retirement income that men have. Hispanic women's median income is below the poverty threshold, while Black and Asian women's income is just above it (See Figure 2).

Figure 2: Women's and Men's Median Retirement Income in 2006

	Retirement Income	As a % of Men's Retirement Income
All Men	\$23,500	100.0%
All Women	\$13,603	58.0%
White Women	\$13,987	59.5%
White Men	\$24,546	104.0%
Black Women	\$11,662	49.6%
Black Men	\$15,731	66.8%
Hispanic Women	\$ 9,553	40.6%
Hispanic Men	\$14,463	61.5%
Asian Women	\$11,226	47.7%
Asian Men	\$18,460	78.5%

Source: Census, 2007

Vickie Elisa

Vickie is a community activist used to helping people in her job as a health care advocate. "But, I was personally devastated," she says, when she learned about the high level of poverty among older Black and Latina women at a retirement conference she attended. Vickie had a whopping amount of debt due to a bad divorce situation and realized that poverty was something that could happen to her unless she did something about her own financial situation. She decided that the only option to become debt free was to work three jobs. Five years later, she had "retired" her debt and was able to save money for her future. "I'd never want to go through that again," she says. Now that she has a daughter, she plans to save for Alexandra's future.

Vickie wanted to make sure that other women, including family and friends, became aware of the impact of the grim statistics on older minority women. She decided to become a volunteer trainer for WISER and began to work with other non-profit organizations and churches in order to teach more women how saving money and eliminating debt can positively affect their futures.

MINORITY WOMEN'S INCOME

There are a number of reasons why many minority women fare poorly in retirement. Chief among them are lower earnings, women's employment patterns, caregiving responsibilities and marital status.

Earnings

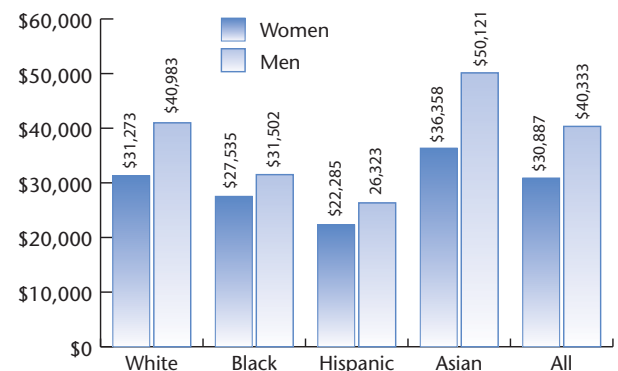
Women have joined the labor force in record numbers, and work in many different fields—but there is still a substantial pay difference between men and women, and minority women face even greater differences. Women continue to work in jobs and industries where women predominate and the pay is low. The industries employing the largest percentages of women are the service and caregiving industries—including hospitals, restaurants, educational institutions and the retail trades (Women's Bureau, 2006). Over one-third of minority women work in sales, clerical office work, or as service workers (Department of Labor, 2006).

Although the wage gap between men and women has closed somewhat over the last twenty years, it still remains significant. According to a 2007 Census Bureau report, women earn only 77 cents for every dollar that men earn—up from 62 cents in 1970. White women earn 77 cents, Black women 64 cents, Hispanic women 52 cents and Asian/ Pacific American women earn 80 cents compared to all men (Census, 2007).

Women working full-time jobs in 2006 earned a median wage or salary of \$30,887, compared to \$40,333 for men. Asian women earned more than White women—\$36,358 compared to \$31,273—while Hispanic and Black women earned less—\$22,285 and \$27,535 respectively (see Figure 3).

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Figure 3: The Wage Gap—2006 Median Annual Earnings by Race and Sex (Full-time)



Source: Census, 2007

This pay gap adds up over time: the typical woman one year out of college will make about 80 percent of her male colleagues' wages. Ten years out of college she is earning 69 percent of her male colleagues' wages (AAUW, 2007). The lifetime impact for minority women of these wage differences is enormous—a Black woman will earn on average approximately \$471,000 less than the average White man over a 35-year career, and a Latina woman will earn \$654,000 less (Census, 2007).

Minority women are showing impressive growth in achieving a college education: between 1974 and 2007, the portion of Hispanic women completing 4 years of college more than tripled. In 2006, nearly 19 percent of Latinas age 25 and over had completed at least an associate's degree. Similarly, three times as many Black women—28 percent—now have college degrees. Nonetheless, a gap remains, as 38 percent of White women and 37 percent of White men have college degrees (Census, 2006).

Statistics show that pay for many college-educated and professional women has not kept up with pay for their male counterparts. Women with bachelor's degrees are earning about 63 percent of what men earn with the same college education (Census, 2006A). Black and Hispanic women with advanced degrees, master's degrees and some even with doctorates, earn less on average than White men with bachelor's degrees (see Figure 4).

Caregiving & Work Patterns

Far more than men, women move in and out of the labor force, experiencing breaks in their work histories, often to care for family members. According to the Social Security Administration, only 59 percent of women beneficiaries received retired worker benefits, as opposed to their male counterparts, 79 percent of whom received these benefits (SSA, 2007). Women with lower incomes are more likely to have a family member who needs care and lives with them, and therefore are likely to spend more time as caregivers for family members than women with higher incomes. Grandmothers often play an important role in caregiving, which can take a toll on their health and their finances (Health Resources Service Ad-

ministration, 2002). Black women parallel White women in time out of the workforce. Hispanic women, however, are more likely to experience unemployment or time out of the workforce than White women with similar socioeconomic and labor market characteristics (Flippen and Tienda, 2002).

Marital Status

A woman's marital status is a significant factor in determining what her income will be when she retires. Women with the most comfortable retirement incomes are those who are married and living with their husbands. In 2004, more than 50 percent of such women had household incomes of \$35,000 or more. By contrast, women with the lowest incomes are those who are heads of households and live alone. Fewer than one in ten had incomes of \$35,000 or more; well over one-half (58.5 percent) had incomes under \$15,000 (SSA, 2006).

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Figure 4: Wage Gap by Education: 2005 Median Earnings for Full-time, Year-round Workers, 18 Years and Older

	High School Graduate	Bachelor's Degree	Master's Degree	Doctorate Degree
All Men	\$27,184	\$50,677	\$64,148	\$76,651
White	\$28,970	\$51,708	\$65,074	\$76,950
Black	\$21,296	\$40,773	\$52,219	N/A
Hispanic	\$22,962	\$42,275	\$54,808	N/A
Asian	\$23,891	\$48,440	\$67,055	\$80,551
All Women	\$19,230	\$31,846	\$44,014	\$56,760
White	\$19,334	\$31,437	\$43,846	\$58,021
Black	\$18,168	\$38,251	\$45,177	N/A
Hispanic	\$15,357	\$31,336	\$47,136	N/A
Asian	\$21,964	\$31,162	\$45,855	56,808

Source: Census, 2006

Unfortunately, many older women find that marriage is no protection against poverty. After counting on their husband's benefits to support them in retirement, they often discover that widowhood or divorce can sharply reduce their income in old age. Today, nearly 60 percent of older women in America are single. They are either widowed (42.4 percent), divorced (9.1 percent), separated (1 percent), or never married (3.6 percent). In contrast, only 26.3 percent of elderly men are unmarried (Census, 2006A).

Widowhood

Women are far more likely than men to be widowed. This is partly because women have a longer average life

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expectancy, and partly because men tend to marry younger women. An American woman's average life expectancy at birth is 84 years—compared to 81 years for a man. If a woman lives to age 65, she can expect, on average, to live until the age of 85—about three more years than a man aged 65 can expect to live (See Figure 5). By age

75, only about 1 in 3 women are still married (34.9 percent), compared to about 7 in 10 men (70.3 percent) of the same age (Census, 2006A).

Figure 5: Life Expectancy at Age 65 by Race & Sex

All Races		
Women		85
Men		82.1
White		
Women		85
Men		82.2
Black		
Women		83.6
Men		80.2
Hispanic		
Women		88
Men		85
Asian American		
Women		88
Men		84
Native American		
Women		88
Men		84

Source: Centers for Disease Control, 2006 (all races, White & Black or African Americans)/SSA, 2007 (Hispanic, Asian & Native Americans)

The numbers for older minority women are similar, although Black (82.3 percent) and Hispanic women (68.1 percent) are more likely to be single than White women (63.5 percent) or Asian/Pacific American women (62 percent) (Census, 2006A).

Joanne Prince

"When I was married, we just didn't think about retirement—our goal was to offer our two daughters the opportunities that we didn't have," says Joanne Prince, a retired nurse. "My husband became ill and died when I was age 50. Catastrophic illness and caregiving just wipe you out financially and emotionally. We had never discussed the big "what if"—what if either one of us should die. And by then it was too late."

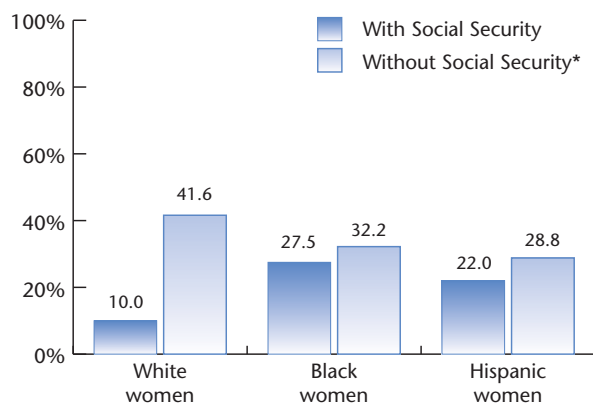
"I consider myself lucky that as a Black woman of my generation, I was able to work and earn a little more than minimum wage. A lot of women my age are getting by on a fixed income and are dependent in large part on Social Security."

MINORITY WOMEN AND SOCIAL SECURITY

Social Security has been the nation's single most successful social program, helping millions of women and men escape poverty in old age. Social Security is a social insurance program financed by a federally-administered system of payroll taxes whereby current workers pay for the benefits of the older generation. In exchange for paying into the Social Security system during their working years, workers are promised benefits for themselves and eligible family members in retirement. Cost-of-living increases are provided to prevent inflation from eroding the value of benefits over time.

Today, Social Security benefits are the most important source of income for older women, more than 90 percent of whom are recipients. More than half (51.6 percent) would be living in poverty were it not for their Social Security benefits. Without Social Security benefits, 60 percent of Black women and 51 percent of Hispanic women would be poor (see Figure 6).

Figure 6: Without Social Security, More than Half of Elderly Women Would Be in Poverty



* Note: Percentage who are Social Security beneficiaries
Source: Census, 2007

Broadly speaking, Social Security is gender neutral: women and men with identical work histories and earnings can expect to receive the same benefits. But differing employment patterns of women and men create a gender gap in Social Security benefits. The average benefit for retired women workers in 2006 was \$859 a month, considerably less than the \$1,137 on average received by men (SSA, 2007B). The average retired worker's benefits were about 10 percent lower for Black women (\$792) than for White women (\$878), while Hispanic women received even less (\$723) (SSA, 2007).

Single minority women, including widowed, divorced and never married women, receive smaller benefits than comparable White women. Research from the Social Security Administration shows the median Social Security benefit for single women age 65 and older was \$867 a month. The median benefit for unmarried Black women was \$666, \$720 for single Hispanic women, and \$899 for White women (SSA, 2006).

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Proposals for Reform

Despite shortcomings, Social Security remains the cornerstone of women's retirement. As a lifelong benefit with cost-of-living adjustments, the value of the benefit is protected over time. Women therefore have a strong stake in ensuring that any proposals to reform Social Security do not undermine the benefits they have come to count on to protect them from poverty in old age.

MINORITY WOMEN AND EMPLOYER-SPONSORED PENSIONS

Overview

Pension income, the second leg of the retirement stool, provides the second largest source of income in retirement.

The likelihood of working for an employer who offers a pension plan increases with jobs paying higher wages, offering full-time work status, or union membership. Working for a large firm or for the government usually assures those pension benefits. Census data from 2005 on pension/annuity receipts showed that more than 25 percent of men age 50 and older and almost 44 percent of men age 65 and older receive pension/annuity income. By contrast, only 18 percent of women 50 and older and 28 percent of women 65 and older receive pension/annuity income (EBRI, 2007).

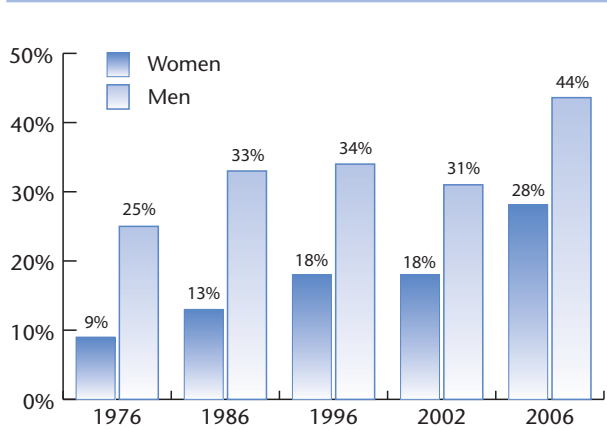
It is worth noting that in 2005, women in the labor force were slightly more likely to participate in a pension or

savings program—52 percent of women who worked full-time participated compared to 51.4 percent of men. The increase in coverage is mainly attributed to women’s increase in full-time work and in work at large firms with better benefits. Because women are still less likely than men to work full-time, the participation rate among all working women remains lower, 47 percent compared to 49 percent of men (SSA, 2006).

Minority women are less likely to work in jobs covered by pensions. Only 15 percent of Black and 10 percent of Hispanic women received pension income in 2004.

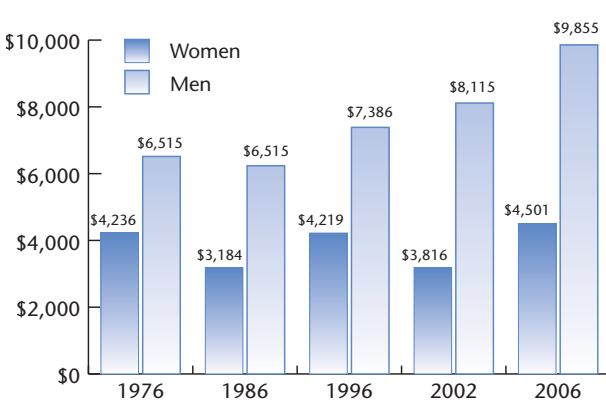
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Figure 7: Percentage of Men and Women Over Age 65 Receiving Pension Income



Source: Census, 2007

Figure 8: Median Pension Income Received by Men and Women Over Age 65



Source: Adapted from Johnson 1999, SSA 2004, and Census, 2007

INDIVIDUAL SAVINGS AND INVESTMENTS

The third leg of the retirement income stool represents those personal savings beyond any employer's pension plan. As questions about the future of Social Security and private pensions continue, individual savings and investments become increasingly important for women's retirement security.

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Older minority households have lower net worth than White households: one survey found that older Black households had an estimated net worth of \$42,600 compared

with \$213,000 for White households (Federal Interagency Forum on Aging Related Statistics, 2006).

A recent survey of low-wage workers found that two-thirds of these workers worry that they will not have enough for retirement. About half of low-wage workers worry that they will not be able to own a home (Hart, 2004).

Lack of savings means less opportunity to start a business or purchase a home. Home equity is an important way to build wealth and is an indicator of socioeconomic achievement. The Census Bureau reported in 2005 that minority homeownership had hit an all time high during the first quarter. Additionally, Hispanics had achieved

a new quarterly record—5.8 million Hispanics were homeowners. However, in spite of the growth over the decade, minority home ownership lagged behind the national average by 25 percent.

Homeownership by Race/Ethnicity 2006

	1995	2006
White	70.9	74.8
Hispanic	42	49.7
Black	42.9	48.4
Asian/Other	51.5	60.8
All minorities	43.7	51.3

Source: U.S. Census Housing Vacancy Survey data in the "State of the Nations Housing, 2007," Joint Center for Housing Studies. Table 5A.

According to the Census Bureau, of those individuals 75 and older who received interest income from savings in 2004, Whites received \$1,615, Blacks received \$1,462 and Hispanics received \$1,461 (Census, 2005).

A study conducted in 2004 found that income and race have a strong influence on predicting who owns stock. People with higher income are more likely to own stock. In 2004, 57 percent of White households owned stock compared to less than 26 percent of Black and 19 percent of Hispanic households (Consumer Interests Annual, 2007).

Women should be saving more money than men because on average they live about 4 more years than men, and will therefore need money to support themselves and pay for health care and prescription drugs.

Unfortunately, women's lower average earnings and more time spent out of the workforce for caregiving make it difficult for many of them to save the amounts needed for retirement, much less have the resources to make catch-up contributions. One result is that divorced, widowed, and never-married minority women without sufficient savings often have to work beyond normal retirement age in order to earn enough to get by.

A Heinz Family Philanthropies/WISER survey highlighted the differences in sex and race when it comes to retirement saving. Men are more confident about financing their retirement than women. Furthermore, White women are more likely to be participating in and contributing to retirement options than Hispanic women. In the Heinz survey, more than half (54 percent) of respondents said they had no money to save for retirement once they paid their bills. Seventy-four percent of all minority women said they were not saving enough (Heinz, 2005). Policymakers need to be aware of the difficulty that low-income, and even many low-to-

moderate income women, have in saving for retirement. With virtually all of their income going for basic expenses, 65 percent of Black women and 60 percent of Hispanic women surveyed said they have no money left to save for retirement (Heinz, 2005). The financial demands of the present constrain the ability of women to save for the future. Too many women, women of color in particular, will find themselves about to enter financial prison when they retire (Lewis, 2005).

With virtually all of their income going for basic expenses, most women with modest earnings, even those with good money management skills, have no money left to save for retirement.

While the numbers of elderly poor have been reduced, millions of women continue to live in poverty, many of them in families with children. Both state governments and local community organizations have increasingly recognized that teaching basic money management skills to low-income families is crucial.

Audrey Gray

"I never thought I would be able to get out from under debt," said Audrey Gray, when she was a 35-year-old data entry operator for a national bank in Atlanta, Georgia.

Burdened with paying off high-interest credit card bills, Gray, an African American, says debt prevented her from participating in her company's pension plan.

"I felt I couldn't contribute enough money into my 401(k) without making it hard for me to make ends meet. Something had to be sacrificed and unfortunately I sacrificed my 401(k)."

Then, in 1997, Gray attended a retirement workshop taught by a non-profit. Using what she learned from the workshop, she took steps to secure her retirement. She kept a strict monthly budget, paid off all credit card and car payments, and participated in her company's 401(k).

"I became debt free again," says Gray. "I even have investments in mutual funds. I've learned not to keep all of my eggs in one basket. Now I feel like I actually have a financial plan whereas before I was just living paycheck to paycheck with no set goals."

CONCLUSION

It is difficult to make predictions about what the future holds for minority women retiring in the 21st century. One of the biggest demographic changes will be the increase in the number of minority women and men who will live past age 65 and even 85. As a whole, the population age 65 and older is expected to double, and the

Minority populations are also living longer. By the year 2050, experts are projecting that there will be at least five times more minority women and men aged 65 and older...

population age 85 and older is expected to triple in the next 40 years. Minority populations are also living longer. By the year 2050, experts are projecting that there will be at least five times more minority women and men aged 65 and older, and about thirteen times more who are

aged 85 and older. Minority women will comprise a larger percentage of the older population in the years ahead (Census, 2004).

Many minority women are concerned that their retirement years will be lived out in poverty. The National Women's Retirement Survey reported that 4 in 10 women aged 30 to 55 worry that they will live at or near the poverty level in their later years because they cannot save adequately for retirement. Once they pay their bills, 54 percent of women have little or no money left to save for retirement. For Hispanic and Black women, that portion increases to 62 percent (Heinz, 2005).

For minority women with limited work histories or who have lived on the margin economically, the retirement picture looks particularly bleak. One study suggests that the number of divorced and never-married women will be higher than expected, another demographic change that could lead to an increase in the poverty rates for many older women (Congressional Budget Office, 2001).

Women overall have made financial improvements over the past 25 years. Younger minority women who spend many years in the labor force and in higher-paying jobs will be the most likely to be able to save and plan for a financially secure old age. Most women, regardless of race or ethnicity, will need to plan carefully in order to deal with the risk of outliving their assets, and to manage their 401(k)s and savings carefully to cover the high costs of health care and longer life spans.

The harsh reality remains that, as long as most minority women earn less money than other women and men, and have fewer opportunities to save, they will have less retirement income and face the highest risks of poverty in old age.

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Policy Reforms

Many improvements could be made by policymakers to provide low-income minority women with greater retirement security. Future pension and Social Security reforms should be looked at together as part of a cohesive retirement policy.

The President and Congress have called for a number of changes in our nation's retirement system. Some of the pension reform proposals currently under consideration by lawmakers that could enhance women's retirement security include: increasing pension coverage for lower-wage, part-time and temporary workers, increasing survivor benefits, making pension division upon divorce more equitable for women, and giving women credit for caregiving. As a society, we have an obligation to provide older women with the opportunity to live out their later years with adequate resources for a dignified retirement.

Importance of Financial Education

The importance of financial education has been hammered home for the past decade as the trend away from paid pensions shifted to employee contributed 401(k) plans alerted individuals and families to the need for increased savings for their later years.

Several government agencies instituted financial campaigns in the 1990s. The Bush Administration established an Office of Financial Education at the U.S. Department of the Treasury. This office focuses on financial

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education and a long-term, multi-faceted approach to expanding the nation's money management skills. While financial education is important for women, simply telling the average woman to increase her savings will not solve the problem. Lack of income is a significant barrier, and millions of women and men require the most basic information to help them take the first steps toward a more secure future.

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Other Suggestions Include:

- ☒ Increase opportunities for low-income women to build wealth.
- ☒ Provide information to help minority women understand the eventual impact on their retirement of taking a job with a retirement plan.
- ☒ Eliminate retirement accounts from federal and state asset tests for program eligibility.
- ☒ Reexamine and improve the complicated Saver's Tax Credit and provide education for those who might be eligible.
- ☒ Provide minority women with better public education in financial planning, including planning for contingencies such as death and divorce.
- ☒ Monitor Social Security reform proposals to ensure that low-income women receive improved retirement benefits that are adequate to keep them out of poverty.
- ☒ Consider the impact of various forms of insurance, including disability and life insurance, on retirement planning.
- ☒ Payroll-deduction IRAs should be offered by employers without a retirement plan.

Judy Chapa

"Hispanic women live longer, earn the least, and take care of everyone else in their family before they ever begin to think of themselves. Many immigrants work extra jobs so they can afford to send money to family back home. They are frequently subjected to predatory practices and fees," says Judy Chapa, former Senior Advisor for outreach to the Hispanic populations for the Federal Deposit Insurance Corporation.

Ms. Chapa has dedicated her life to helping individuals build their financial intelligence in order to understand basic financial services, build assets and make smart financial choices. Her wealth of experience in both the private and public sectors and her bold and innovative outreach strategies have made her the recipient of numerous awards and recognition.

In 2001, President George W. Bush appointed Ms. Chapa as the first Deputy Assistant Secretary for the U.S. Department of Treasury's Office of Financial Education, a position she held until 2003. "Hispanics and immigrant populations are largely unbanked and underserved. We must work to bridge the financial divide between these populations and financial institutions for their mutual benefit," added Ms. Chapa.

13 STEPS WOMEN CAN TAKE

Educate Yourself—Ask for the Facts

- Find out what you will receive from Social Security. Call 1-800-772-1213 to ask for your Social Security statement if you have not already received it. This statement estimates your future benefit. Check the information on the statement against your W-2 forms and tax returns to verify that it is correct.
- Talk to the administrator of your pension plan to find out what pension benefits you have from your current employers. Check with previous employers as well. If you are married, also ask your spouse to check.

Develop a Plan

- Understand how you are spending your income. Develop a budget with a savings plan. Set aside some money for emergencies so those won't throw off your budget.
- Take control of credit card debt and build a good credit record. If you need help, contact the National Foundation for Credit Counseling at 800-388-2227 or www.nfcc.org.
- Consider a \$50 a month automatic deduction from your paycheck or checking account to invest in a mutual fund or to buy U.S. Savings Bonds. The sooner you start the better! Investing early pays off because the interest compounds for more years.
- Participate in your pension or savings plan at work. If your employer will match your 401(k) contributions, take advantage of the opportunity.
- Set a goal, like buying a house, and investigate the steps you need to take. Contact the Home and Communities group at the U.S. Department of Housing and Urban Development at: www.hud.gov/buying.

Be Prepared for Life Events

- Before you leave a job, ask about the options for taking your retirement benefits with you. Sometimes you are better off leaving it with your employer. Try not to spend it. Roll it into an IRA or other savings account and let it grow until retirement.
- When you get married, stay involved in the family budget and finances because, odds are, you will be on your own someday and need to understand them.
- When facing divorce, find out about your spouse's pension before the divorce is finalized. You have a right to receive part of a pension earned during the marriage, but you must ask for it during the divorce proceedings.

Resources for People with Limited Income

- Find out if you qualify for an Earned Income Tax Credit or the Child Tax Credit. Locate the IRS (VITA) office near you for free in-person tax help by contacting the IRS at: 1-800-829-1040, or go to www.irs.gov and search for "VITA."
- Investigate whether there is an organization near you offering Individual Development Accounts (IDAs) and find out if you can participate. Although programs vary, IDAs often match at least \$2 for every dollar you save in the account, sometimes more. There are rules that require you to attend financial literacy classes and that prescribe how you spend the money. For information, call CFED at 202-408-9788, or go to www.CFed.org.

Small Business Owners

- Remember to set aside some money for retirement. Contact WISER for a fact sheet on small employer pension plans suitable for home-based businesses.

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RESOURCES

Non-Profit Resources

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Washington, DC 20049
888-687-2277
www.aarp.org

Institute for Women's Policy Research

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Suite 750
Washington, DC 20036
202-785-5100
www.iwpr.org
iwpr@iwpr.org

Investing for Success Investment Company Institute

1401 H Street, NW
Washington, DC 20005
202-326-5800
www.ici.org

MANA, A National Latina Organization

1146 19th Street, NW
Suite 700
Washington, DC 20036
202-833-0060
www.hermana.org
hermana2@aol.com

National Caucus and Center on Black Aged, Inc.

1220 L Street, NW
Suite 800
Washington, DC 20005
202-637-8400
www.ncba-aged.org

National Alliance for Caregiving

4720 Montgomery Lane
5th Floor
Bethesda, MD 20814
www.caregiving.org
info@caregiving.org

National Committee to Preserve Social Security and Medicare

10 G Street, NE
Suite 600
Washington, DC 20002
800-966-1935
www.ncpssm.org

National Council of La Raza

Raul Yzaguirre Building
1126 16th Street, NW
Washington, DC 20036
202-785-1670
www.nclr.org
comments@nclr.org

National Council of Negro Women, Inc.

633 Pennsylvania Ave., NW
Washington, DC 20004
202-737-0476
www.ncnw.org
ncnwinfo@ncnw.org

National Council of Women's Organizations

1701 K Street, NW
Suite 400
Washington, DC 20006
202-293-4505
www.womensorganizations.org
ncwo@ncwo-online.org

National Urban League

120 Wall Street, 8th Floor
New York, NY 10005
212-558-5300
www.nul.org
info@nul.org

Pension Information Projects funded by the U.S. Administration on Aging

The Pension Rights Center

1350 Connecticut Avenue, NW
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Contact information for each project may be found at:
www.pensionrights.org

Government Agencies

U.S. Administration on Aging

1 Massachusetts Avenue, NW
Washington, DC 20001
202-619-0724
www.aoa.gov
aoainfo@aoa.hhs.gov

Eldercare Locator

800-677-1116
www.eldercare.gov
eldercarelocator@infospherix.com

Social Security Administration

6401 Security Blvd.
Baltimore, MD 21235
800-772-1213
www.ssa.gov

U.S. Department of Labor, Employee Benefit Security Administration

200 Constitution Avenue, NW
Francis Perkins Building
Washington, DC 20210
866-444-3272
<http://www.dol.gov/ebsa>

U.S. Department of Labor, Women's Bureau Regional Offices

To reach any office toll-free, call:
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www.dol.gov/wb

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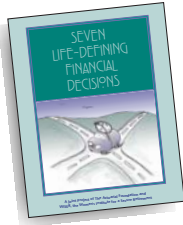
National Education and Resource Center on Women and Retirement Planning

The National Education and Resource Center on Women and Retirement Planning is a co-operative partnership with the Administration on Aging and the Women's Institute for a Secure Retirement. The Center's primary goal is to provide the maximum number of women with information that can assist in retirement planning, and provide average- and low-income women with the opportunity to take the first step toward controlling their financial future. The program encourages women to adopt a long range financial view by embarking on a lifelong financial journey that will lead to such important steps as access to retirement plans and building personal assets.

The program includes many partners: employers, women's organizations and community based groups. Government agencies have included the Co-operative Extension Service, the Department of Labor's Employee Benefits Security Administration, the Department of Labor's Women's Bureau, and the Social Security Administration.

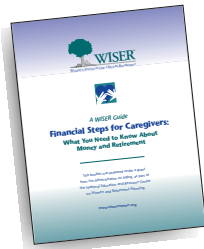
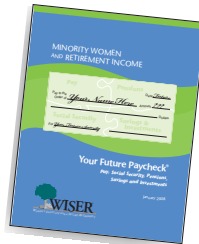
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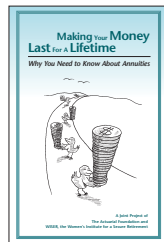
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