Your Future Paycheck: A Workbook

What Every Woman Needs to Know About:

Getting Started with Money Basics
Savings & Investments
Social Security
Retirement & Employer Retirement Plans Basics
Divorce & Widowhood
About WISER

The Women’s Institute for a Secure Retirement (WISER) is a nonprofit organization that works to help women, educators, and policymakers understand the important issues surrounding women’s retirement income. WISER creates a variety of consumer publications including fact sheets, booklets and a quarterly newsletter that explain in easy-to-understand language the complex issues surrounding Social Security, divorce, pay equity, pensions, savings and investments, banking, home-ownership, and long-term care. As part of our national education campaign, *Your Future Paycheck®: What Women Need To Know*, WISER has reached thousands of women through workshops held across the nation. WISER has also been the driving force behind a series of state and local events aimed at leveling the playing field for women on long-term financial security.

WISER was founded in 1996 with a grant from the Heinz Family Philanthropies. Since then, it has received financial support from numerous individual donors and a host of charitable foundations. WISER was also awarded a highly competitive grant from the U.S. Administration on Aging to develop the National Resource Center on Women and Retirement Planning which it has operated since 1998.

Our Mission

WISER is dedicated to the education and advocacy that will improve the long-term financial quality of life for women. As the only organization to focus exclusively on the unique financial challenges that women face, WISER supports women’s opportunities to secure adequate retirement income through research, workshops and partnerships.
Introduction

Retirement planning is important for everyone – but it’s especially important for women. Since women generally live longer than men, they need to plan even more carefully for retirement than men. The problem – and the challenge – is that women’s average income after the age of 65 is only about half of men’s.

So where does your retirement income come from? The old way of thinking about this was to use an analogy of the “three legged stool.” This includes Social Security, employer retirement plan, and personal savings and investments.

The first leg of the stool is Social Security. Social Security is the most successful social insurance benefit in our nation’s history. We all pay into Social Security through employment taxes while we work, and in return we receive cost of living adjusted monthly benefits for life in retirement. Social Security is the foundation of retirement income and security for most people, especially as they get older. Today nearly half of unmarried retired women rely on Social Security for 90% their income.

The second leg of that stool is income from an employer retirement plan. This is your best retirement option. If your employer will match your contribution in a 401 (k) or other savings plan, this is an easy, automatic return on your investment.

The third leg of the stool is individual savings and investments. Make a plan to save a certain amount each month. It is important to start investing as soon as you can, so that your money can start to grow.

These days, many people find they can’t retire when they wanted to, so a fourth source of retirement income on the stool is earnings from a part-time or even full-time job in your older years. Still others with extremely low income rely on a fifth leg of the stool, Supplemental Security Income. This is one of several benefit programs administered by Social Security.

Each of these legs is critical to the stability of your retirement. This WISER workbook, Your Future Paycheck: What Every Woman Needs to Know About Getting Started with Money Basics, Savings & Investments, Social Security, Employer Retirement Plans, and Divorce & Widowhood.

“Your Future Paycheck®: A Workbook” is intended to provide general information. It should not be used as a substitute for legal or other professional advice.
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Section One:

Getting Started — Money Basics

Keep Track of Your Spending

Budget Worksheet

5 Money Traps that Keep You Broke

5 Money Mistakes Women Should Avoid

Credit and Your Credit Report – What You Need to Know

Credit Card Basics

Debt Warning Signs
**Keep Track of Your Spending**

*Get started. The first step is to find out where your money goes. Then, try some of the ideas below to begin saving.*

---

**Track Spending**

Buy a small notebook and take it with you everywhere that you go for a couple of weeks. Write down everything that you spend money on.

- After a few weeks, start putting your expenses into categories, like food, transportation and clothing.
- Look at how you spend your money. You may be surprised, for example, that you spend so much on food when you are not eating at home.
- Make a list of bills you have to pay on a regular basis, like car insurance, rent or mortgage payments, dental checkups and even gifts that you buy every year. (You can use WISER’s Budget Sheet on the following page to help you remember all of them.)

**Calculate Expenses**

- Add up your total income—all of the money you receive in salary, other payments and benefits and any earnings on investments each year. Divide your annual income by 12 to calculate your monthly income.
- Subtract all of your regular monthly bills and other monthly expenses that you found by keeping track of your spending in your little notebook.
- This will tell you what money you have left for emergencies, like car repairs. Try to set some money aside for emergencies, so it won’t completely throw off your budget.
- Finally, look for ways to start setting aside some money for a savings account.
- Make a plan to start investing, even a small amount, so that your money can start to grow.

**Start Saving**

- Never have more than two credit cards. Cancel any extra ones.
- Pay off your credit card bills and any other high interest loans or debts.
- If you can’t afford something, don’t charge it unless it is a real emergency.
- Know what you need to buy and comparison shop before you buy it.
- Save for something, then buy it. For example, set $5 aside each day (or week) until you have enough to buy it.
- Have a percentage of your paycheck put directly into your savings account. If you don’t see the money in your paycheck, you will be less likely to spend it.
- Collect loose change. Save your coupon money.
- Break a habit—gum, smoking, sodas, or lottery tickets—and save that money.
Budget Worksheet

Keep track of where your money goes for several months. Write it down. Add it up. See where you can save.

<table>
<thead>
<tr>
<th>Fixed Expenses</th>
<th>Planned</th>
<th>Actual</th>
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<tbody>
<tr>
<td>Rent or Mortgage Payment</td>
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<td>Insurances (car, home, health)</td>
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<td>Child Care</td>
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<td>Debt Repayments/Loans</td>
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<td>Phone</td>
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<td>Other Utilities (gas, electric, water, etc.)</td>
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<td>Car Payment</td>
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<td>Money into savings</td>
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<td>Other</td>
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<tr>
<td>Other</td>
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<tr>
<td><strong>Total Fixed Expenses</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Fixed Expenses</th>
<th>Planned</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food/Groceries</td>
<td></td>
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<tr>
<td>Personal Care (haircuts, etc.)</td>
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<td>Clothing</td>
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<tr>
<td>Medicine/Prescriptions</td>
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<td>Gasoline/Bus / other local transportation</td>
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<tr>
<td>Laundry/Dry Cleaning</td>
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<tr>
<td>Household Supplies/Home Care and Maintenance</td>
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<tr>
<td>Entertainment (eating out, movies, travel, etc.)</td>
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<td>Other</td>
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<td>Other</td>
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<td><strong>Total Flexible Expenses</strong></td>
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</tbody>
</table>

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Total Expenses =
5 Money Traps That Keep You Broke

Track your money for several months. Write it down. Add it up. Where can you save?

1. Check cashing and money order fees add up
   - If you pay $2 to cash your weekly paycheck, by the end of the year it will cost you $104.
   - If you buy 4 money orders a month, it will cost you $48.
   - By the end of the year, you’ve spent $152.
   - Find out how much an economy thrifty checking account costs. Find out if your employer has a direct deposit plan that will get you free or low-cost checking.

2. Bounced checks and late payments
   - A bounced check can set you back $40 or more—both the bank and the business can charge you $20 or more for each bounced check.
   - Your telephone, water and electric bills can also add late charges of $15 or $20.
   - If your telephone is disconnected, you may have to pay the unpaid balance, reconnect charges and a cash deposit against future bills.
   - Find out the late payment rules for your car payments, credit cards or utilities.
   - If you cannot make payments on time, you can call the company and explain to them why not. In some circumstances, they will be willing to waive the late fee and set up a payment schedule.

3. High cost loans
   - Don’t borrow money if you don’t know the lender.
   - Don’t borrow money unless you see the terms in writing and understand them.
   - Don’t give personal information, such as your Social Security number, over the telephone.
   - Be careful! Remember, if it sounds too good to be true, it probably is!

4. High-interest credit cards
   - If you only pay the minimum payment your credit card allows, you will end up paying almost twice as much as the item cost in the first place.
   - For example, you buy a jacket on sale that costs $50, and add it on to your other credit card debt. By the time you pay it off, it may end up costing you $100, and half of that is interest.
   - Look for low-rate and no annual fee credit cards.
   - For one-on-one credit counseling, contact the National Foundation for Consumer Credit at 800-388-2227 or www.nfcc.org.

5. Spending your tax refund
   - Before you spend your tax refund, think about putting it in a savings account.
   - Don’t pay for an instant refund—there are places where you can go to get the refund for free.
   - Find a VITA (Volunteer Income Tax Assistance) volunteer (www.irs.gov). The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make $54,000 or less, persons with disabilities, the elderly, and limited English-speaking taxpayers who need assistance in preparing their own tax returns. IRS-certified volunteers provide free basic income tax return preparation with electronic filing to qualified individuals.
5 Money Mistakes Women Should Avoid

Here are some common mistakes that a lot of women make and that you can learn to avoid:

1. **Debt**
   Learn to live below your means. If you don’t have cash to back up your credit card spending, then do not charge it unless it is a real emergency. Avoid late fees that will lower your credit score. If you cannot make payments on time, call the company and explain why not. Sometimes they will be willing to waive the late fee and work out a payment schedule.

2. **Spending money on the kids and grandkids and not saving**
   Put your savings first! Resist giving expensive gifts and large sums of money to your children, grandchildren or other family members at the expense of your own savings and retirement funds.

3. **Not getting involved in managing the family’s finances**
   Many women are involved in managing the family’s day-to-day finances, like paying bills, but fewer women are involved in the bigger financial picture, and often leave things like the retirement plans and long-term investments to their spouse or partner. Know where your family’s money is, how it is being spent, where the information about all the retirement plans is located, what other assets there are, and what they are worth. Make sure you are making both the short and long-term financial decisions together. Women will likely outlive their husbands; be prepared and knowledgeable in the event you someday have to manage the finances on your own.

4. **Spending your tax refund**
   Many people treat their tax refund like a windfall that they can use to splurge on things that they may not actually need. Instead, try thinking of your refund as an easy way to give your savings, emergency fund or retirement accounts a boost. You can even automatically purchase savings bonds with your tax refund when you file your taxes using Form 8888.

5. **Not realizing that you may end up living on your own someday.**
   Women live longer than men on average. It is a good idea to be prepared to manage your own finances, and plan accordingly for the additional years you may live after your spouse or partner dies. Furthermore, half of all marriages end in divorce. One way to protect yourself is to make sure your name appears on all of your family accounts and investments, either solely or as a joint owner. This establishes your legal right to at least part of these assets if your partner becomes ill or incapacitated, or in the event of a divorce.
Credit and Your Credit Report – What You Need to Know

What is credit and why is it important? Plus, tips for maintaining good credit and improving poor credit.

What is credit?
Credit is money you borrow and plan to repay. Often, there is a charge for borrowing. If you miss a payment, the lender will report that to credit bureaus, and the mistake may affect your ability to borrow money in the future.

Why is good credit important?
- Lenders, employers and landlords often ask for and review your credit report.
- When you get a loan, your credit record will help determine what interest rate you pay. A good credit history shows that you have repaid money when and how you agreed. Lenders are more comfortable lending to you, so they will lend money to you at a lower cost (through interest rates and fees). A poor credit record can result in a much higher interest rate.
- A poor credit record can affect your ability to borrow money to pay for a car or an education, rent an apartment, buy a house or even get a job.

Steps to establishing and maintaining good credit
- Try to live and work in the same place for a while. Lenders like stability—having a checking account, staying in the same job with a regular income, and living at the same address for many years.
- Pay your bills on time. With credit cards, you should always at least pay the minimum payment and pay on time. Paying late will hurt your credit history even if you make up the amount later.
- Keep your debt down. Many lenders do not want to lend you money if the amount of money you owe is more than 20% of what you earn.
- Be very careful about borrowing money and using credit cards. Having too much credit will lower your score.
- Do not bounce checks.
- Check your credit report once a year for errors or problems and write to the credit agencies to fix the errors or to insert a statement of explanation.

What is in a credit report?
A credit report is a listing of:
- The dates, credit limits, and history of payment for all the times you borrowed money
- A list of late payments that were 30, 60, 90 or 120 plus days late
- Any bankruptcies and tax liens
Each time a creditor or potential lender made an inquiry about you when deciding to give you credit

Overdue payments that have been referred to a collection agency

Negative information stays on your credit history for seven years. Bankruptcies can stay on for ten years. Credit inquiries stay on for two years.

What is a credit score?
Each credit report includes a credit score. This number ranges between 300 and 850 and tells lenders and creditors how reliable you are when paying debts, based on the information listed in your credit report.

What is a credit bureau?
There are three credit bureaus or agencies: Equifax, Experian, and TransUnion.

- Credit bureaus collect credit data sent to them by lenders. They generate reports compiling the data for each person, along with a credit score to sell to lenders. You can also request a copy for a fee.
- Credit bureaus do not extend or deny credit.
- Creditors and credit bureaus sometimes make mistakes. It is important to review your credit record once a year to clear up any errors.

Steps to improving a poor credit history
The good news is you don’t have to wait to improve your credit score. But it takes time, so don’t give up!

- Look at how much you owe.
- Prepare a realistic budget. See how much you can pay off each month.
- Contact the companies you owe money to and work out a payment schedule.
- Consider using savings, selling assets, or getting another job, at least for a while.
- Consider getting a secured credit card to rebuild your credit, but be sure you understand what will happen if you cannot make those payments.
- Be sure to take the steps listed above to maintain good credit.

If you need help sorting out your credit problems, contact the National Foundation for Consumer Credit at 800-388-2227, Llama Español 800-682-9832 or www.nfcc.org to set up an appointment for credit counseling. It will be free or require only a very small fee. Stay away from “credit repair” companies.
SAMPLE COMPLAINT LETTER TO CREDIT BUREAU

Your Name  
Your Address  
Your City, State, Zip Code

Date

Complaint Department  
Name of Credit Reporting Agency  
Address  
City, State, Zip Code

Dear Sir or Madam:

I am writing to dispute the following information in my file. Please begin an immediate investigation of the following item, which I have circled on the attached copy of the report I received.

Identify item(s) disputed by name of source, such as creditors or tax court, and identify type of item, such as credit account, judgment, etc. For example:

My credit report states that my Example Company account number 1234567 was sent to a collection agency. I am attaching a copy of the cancelled check, which shows that I paid my bill on time. I have sent a similar letter to Example Company and asked that it also corrects its records. Please remove the incorrect information from my report and send me a new copy of the report at the conclusion of your investigation.

(Use this sentence if applicable and describe any enclosed documentation, such as payment records, court documents) Enclosed are copies of documents supporting my position. Please reinvestigate this (these) matter(s) and (delete or correct) the disputed item(s) as soon as possible.

Sincerely,

Your name

Enclosures: (List what you are enclosing)
SAMPLE STATEMENT OF EXPLANATION

Your Name
Your Address
Your City, State, Zip Code

Date

Complaint Department
Name of Credit Reporting Agency
Address
City, State, Zip Code

Dear Sir or Madam:

In accordance with the Fair Credit Reporting Act, please include the following statement in my credit report. It should be placed right next to the account information.

Disputed account:
Merchant name, account number, date reported

Statement of explanation (100 words or less)
Example: On February 28, 2014, I required medical attention from a hospital. Because of how the hospital filed with my insurance company, the amount owed by my insurance company was not paid until after the hospital sent my account to collections. Although the insurance company has since paid the hospital, the hospital has not changed the way in which the late payment was reported.

Please send me a copy of my updated credit report after the above statement has been added.

Sincerely,

Your name
Credit Card Basics

Figure out what you owe. Make a plan to pay it back.
Find lower-interest credit cards and debt counseling.

More than two-thirds of people who have credit cards do not pay them off each month. This worksheet will help you sort out what you owe and what company you owe it to, so that you can start to pay off your debts in full.

<table>
<thead>
<tr>
<th>Creditor/ Credit Card</th>
<th>Amount Due</th>
<th>Interest Rate</th>
<th>Minimum Payment</th>
<th>Typical Monthly Payment</th>
<th>Interest Paid Each Month</th>
<th>Target Date Paid in Full</th>
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Ways to Reduce Your Credit Card Debt

- Pay off the credit card with the highest interest rate first.
- Pay your credit card bill as soon as you receive it, especially if you are carrying over a balance, to reduce your interest charges.
- If you cannot pay the full amount, pay as much as you can each month.
- Look for low-rate and no annual fee credit cards. You can get a list of credit cards, interest rates and fees at: [www.indexcreditcards.com](http://www.indexcreditcards.com).
- For one-on-one credit counseling, contact the National Foundation for Consumer Credit at 800-388-2227, llama Española 800-682-9832 or [www.nfcc.org](http://www.nfcc.org).
Debt Warning Signs

A little debt, if it’s the right kind, can be okay. So, how much is too much? Also, some ways to get out of debt.

If more than one or two of these statements describe you, you may have too much debt:

■ I’m not sure how much I owe.
■ I can only pay the minimum amounts due on my credit cards and other bills each month.
■ The total amount of money that I owe isn’t getting any smaller.
■ I often pay my bills late.
■ I often juggle who and how much I pay each month.
■ I am borrowing from one credit card to pay another credit card.
■ More than 20% of my monthly take-home pay goes to pay off debt (other than a home mortgage payment).
■ I put off going to the doctor or the dentist because I cannot afford it now.
■ I spend more than I earn.
■ I would have financial problems right away if I lost my job or missed a paycheck.
■ I borrow from friends or family and cannot pay them back.

Some ideas that may help you:

■ Keep a record of your current living expenses for a month. Look for ways to reduce expenses so you can pay back your debts.
■ Cut back on your credit card use. Leave your credit cards at home.
■ Set up a plan for paying back your debts. Then inform your creditors, using WISER’s sample letter, about the debt repayment plan that you are proposing to them.
■ Get help from a nonprofit financial counseling agency. Check to see if your local state university (Extension Service) offers a free debt management service. It can help you set up a repayment plan and write to your creditors.
■ For one-on-one credit counseling, contact the National Foundation for Consumer Credit at 800-388-2227, Españolía Lama 800-682-9832 or www.nfcc.org or the Association of Independent Consumer Credit Counseling at 866-703-8787 or www.aiccca.org.

* The most important thing you can do is to work on getting out of debt *
Section Two:

Saving & Investing:

- How to Start Saving for Your Retirement
- Savings SOS - Worksheet
- Account Information Worksheet
- Investing Early Pays Off
- U.S. Savings Bonds – I Bond
- Mutual Funds
- Mutual Funds Fees & Expenses
- Traditional IRA
- Spousal IRA
- Roth IRA
How to Start Saving for Your Retirement

Make a plan to save. Participate in your pension plan at work. Pay off your credit cards and loans.

Understand how you are spending your income now.
You can start by writing down everything that you spend money on for a couple of months. Then, fill out WISER’s budget worksheet, adding up your expenses for an average month.

Once you have figured out how you are spending your money, you can start to look for ways to increase your savings.

Make a plan to save a certain amount each month.
It is important to start investing as soon as you can, so that your money can start to grow. WISER’s Savings SOS fact sheet offers tips on how to cut your expenses each month.

Set goals for saving. Don’t put it off. Make a plan and put it into action.

Participate in your employer retirement plan at work.
This is your best retirement option. If your employer will match your contribution in a 401(k) or other savings plan, this is an easy, automatic return on your investment.

WISER has a number of publications on employer retirement plans for more information.

Reduce your credit card debt.
Sometimes, your best investment is paying off credit cards and high interest loans or debts.

- Look for low-rate and no annual fee credit cards. You can get a list of credit cards, interest rates and fees at: www.indexcreditcards.com. Use WISER’s Credit Card Worksheet from the previous section to keep track of your credit card expenses.

- For one-on-one credit counseling, contact the National Foundation for Consumer Credit at 800-388-2227, or www.nfcc.org.
Savings SOS - Ways to Boost Your Savings Worksheet

Use this worksheet to find areas to economize in your life and increase your savings.

<table>
<thead>
<tr>
<th>Spending</th>
<th>Saving</th>
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| 1. **Buying Lunches**: Calculate approximately how much you spend on lunches each month and put that amount in the space to the right. (Ex. 8 lunches x $10 = $80.00 month) $__________

*Now cut that number in half (or eliminate it) and put the savings on the line to the right.* $__________

2. How much do you spend on **cable television** or multiple streaming services each month? $__________

*Reduce by $20 or eliminate one of the streaming services and put savings on the line to the right.* $__________

3. How much do you spend **buying books/magazines** each month? $__________

*Eliminate this expense and put savings on the line to the right.* $__________

4. How much do you spend on your **cell phone service** each month? $__________

*Reduce service by $20 and put savings on the line to the right.* $__________

5. How much are you paying in **ATM withdrawal fees** or **debit card fees** each month? (Ex. 12 withdrawals x $2.50 = $30.00) $__________

*Eliminate this number and put savings on the line to the right.* $__________

6. How much do you pay on average each month in **checking or savings account maintenance fees**? $__________

*Eliminate this number and put the savings on the line to right.* $__________

7. How much do you pay on average for **overdraft charges** from bounced checks? $__________

*Eliminate this number and put savings on the line to the right.* $__________

8. How much do you spend on gas/parking or public **transportation** each month for traveling to and from work? $__________

*Put how much could you save potentially by carpooling, walking, biking or switching to public transportation on the line to the right.* $__________
9. How much do you spend on **Uber/Lyft or taxis** for entertainment? $________

   *Put how much could you save potentially by carpooling, walking, biking or switching to public transportation on the line to the right.* $________

10. How much do you spend on **dinners out** (including carry-out) each month? $________

   *Cut in half (or eliminate) and put savings on line to the right.* $________

11. How much do you spend on **clothing** each month? $________

   *Reduce by 20% and put savings on line to the right.* $________

12. How much do you pay each month for a **health club**? $________

   *If you don’t go very often, or have a cheaper alternative, enter the monthly savings on line to the right.* $________

13. How much do you spend on **groceries** each month? $________

   *Reduce by 10% and put savings on the line to the right.* $________

14. How much do you spend each month buying **coffee** at coffee shops? $________

   *Eliminate this number and put the savings on the line to right.* $________

15. How much do you spend on **gifts** for family and friends each month? $________

   *Reduce by 30% and put savings on the line to the right.* $________

<table>
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<tr>
<th>Total Spending</th>
<th>$________</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Savings</strong></td>
<td>$________</td>
</tr>
</tbody>
</table>
**Savings, Investments, and Account Information**

*Organize your savings, investments, and other account information in one place to keep better track of it.*

It’s a great idea to organize this information in one place. Fill this out and keep it where it will be easy to find.

<table>
<thead>
<tr>
<th>Yours</th>
<th>Your Partner’s</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social Security Numbers</strong></td>
<td></td>
</tr>
<tr>
<td>Social Security Administration Phone #</td>
<td>1-800-772-1213 1-800-772-1213</td>
</tr>
<tr>
<td><strong>Bank Accounts</strong></td>
<td></td>
</tr>
<tr>
<td>Checking Account Number</td>
<td></td>
</tr>
<tr>
<td>Savings Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td><strong>Money Market Funds</strong></td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td><strong>Mutual Funds</strong></td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td><strong>Insurance Policies</strong></td>
<td></td>
</tr>
<tr>
<td>Policy Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td><strong>Credit Cards</strong></td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
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<tr>
<td>Phone Number</td>
<td></td>
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<td>Account Number</td>
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<td>Account Number</td>
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<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>Yours</td>
<td>Your Partner’s</td>
</tr>
<tr>
<td>-------</td>
<td>---------------</td>
</tr>
<tr>
<td><strong>Credit Cards continued</strong></td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td><strong>Other Accounts, Funds or Policies</strong></td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>Account Number</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
</tbody>
</table>
Investing Early Pays Off

If you save early, interest rates mean you’ll have more by the time you retire, even if you contribute less.

<table>
<thead>
<tr>
<th>Age</th>
<th>Early Contributions</th>
<th>Age</th>
<th>Later Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>2000</td>
<td>22</td>
<td>0</td>
</tr>
<tr>
<td>23</td>
<td>2000</td>
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<tr>
<td>66</td>
<td>0</td>
<td>66</td>
<td>2000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Amount Invested</th>
<th>$18,000</th>
<th>Total Amount Invested</th>
<th>$54,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution Available at age 66, 7% Interest Rate</td>
<td>$292,829</td>
<td>Contribution Available at age 66, 7% Interest Rate</td>
<td>$159,395</td>
</tr>
<tr>
<td>Net Earned Income</td>
<td>$274,829</td>
<td>Net Earned Income</td>
<td>$105,395</td>
</tr>
</tbody>
</table>

The early contributor earned $169,434 more than the late contributor and did it by investing $36,000 less!
**I Bonds**

*Current rate 1.90% until October 31, 2019*

Savings Bonds are often considered a safe and trustworthy investment because the U.S. government backs them. There are different types of savings bonds, the most recent and one of the most popular types being the I Bond. A key feature of the I Bond is that it is inflation-protected.

**How do I Bonds work?**

I Bonds provide an interest rate of 1.90%, and this rate is good through October 31, 2019. (The EE Bond is another type that provides a rate of 0.10% through October 31, 2019.) Part of the interest rate is tied to the inflation rate and so the rate changes every 6 months. The I Bond is very popular—sales of over $3.2 billion were reported in the first year.

I Bonds earn interest each month, and the interest is compounded every six months. You can earn interest on them for as long as 30 years, and can cash them out after 5 years without losing interest. You lose only three months interest if you cash them out before you reach 5 years. This is an especially good option for anyone with limited savings who may worry about putting money into an investment that they can't easily cash out if needed for an emergency.

**How do you purchase I Bonds?**

You purchase I Bonds at face value; for example, you pay $50 for a $50 bond. Earnings are exempt from state and local income taxes. Federal income taxes can be deferred for up to thirty years, or until you cash them in, whichever comes first.

You can buy saving bonds by setting up an account at [TreasuryDirect.gov](http://TreasuryDirect.gov), a U.S. Treasury website. You can also set it up to make regular savings bond purchases through automatic deductions from your checking or savings account. You can also receive part or all of your tax refund in the form of a savings bond by filling out form 8888 with your tax return.

You can also reach the U.S. Treasury information line at **800-284-2676**.

**How do I Bonds compare to cash investments?**

A quick glance at national interest rates shows that you could get anywhere from 2.3% in a money market account, or 2.9% for a two-year CD (certificate of deposit), or 3.2% for a 5-year CD (Bankrate Figures, as of May 2019).
**Mutual Funds**

*If you’re ready to start investing – through an employer pension plan or on your own – this is a good place to start.*

---

**What are Mutual Funds?**

Mutual funds are investments that pool together the money of thousands of small investors and invest this money in stocks, bonds and/or other securities. Instead of purchasing a particular stock, you purchase shares in a whole group of stocks.

- They offer small investors access to the advantages of diversification, investing in hundreds or thousands of different companies.
- Individual stocks and bonds are risky; their value is subject to volatile investor perceptions. When you choose single stocks, you are betting on a few individual companies.
- Stock and bond mutual funds are not guaranteed — you can still lose money — but diversification minimizes some of the risk.

**The upside of Mutual Funds**

- Because mutual funds are generally diversified, spreading the risk with different companies and different securities, you do not have to monitor specific stocks or other investments.
- Growth is proportionate. That is, as the fund is successful, so is your account.

**The downside of Mutual Funds**

- There are hundreds of mutual funds available. You need to select wisely to avoid risking all or part of your investment.

**What are Load Funds?**

- Mutual funds charge a kind of fee or commission called a “load” – a one-time fee paid when you buy or sell shares in the fund. “No load” funds are your best bet.

**What do I need to know about Mutual Fund charges?**

- Mutual funds charge fees for ongoing expenses (such as fund management) and these fees will cut into the return you make.
- Despite what anyone might tell you, funds with lower expenses generally perform just as well as funds with higher ones. Stick with low-expense funds.
**Mutual Fund Fees & Expenses**

*Mutual fund fees vary a great deal. Some low-fee funds do very well. So understand fees and choose carefully.*

**Why is it important to pay attention to mutual fund expenses?**

- All mutual funds charge you some fees to cover on-going expenses, but the amount of the fees varies among funds. These expenses will cut into the amount of money that you make from the mutual fund.
- Some also charge a sales commission, or “load” when you buy or sell shares of the mutual fund.
- High expense funds, and load funds do not necessarily perform better than no-load, low-expense funds.

**There are two main types of expenses:**

1. **Annual Operating Expenses (also called the Expense Ratio):**

   All funds charge a management fee that you pay each year and is subtracted from the assets you have in the mutual fund. Some funds also charge these additional fees:

   - **Management or investment advisory fees** - these fees go toward paying fund managers and range on average from 0.5 to 1.0%.
   - **12b-1 distribution fee** - this fee covers sales commissions, marketing, and distribution fees. Many funds do not charge a 12b-1 fee, and as a basic investor, you should probably avoid funds that do. “Load” funds often charge this fee, which can range between 0.25% and 1.0% each year. “No load” funds cannot charge more than 0.25% in 12b-1 fees, so your best bet is to invest in “no load” funds.
   - **Other administrative fees** cover the cost of a toll-free line, printing, mailing, and other services.

   Expenses and fees can really add up over time. The chart shows what would happen, for example, if an individual invested $1,000 in a fund that earned a 5% return, and kept it there for 20 years. Without expenses, the investment would grow to $2,786. With fees, you can see how that total would be reduced:

<table>
<thead>
<tr>
<th>$1,000 Investment with 5% Return</th>
<th>Amount the Investment Would Grow over 20 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Fee:</td>
<td>$2,786</td>
</tr>
<tr>
<td>5% Fee:</td>
<td>$2,412</td>
</tr>
<tr>
<td>1.5% Fee:</td>
<td>$1,990</td>
</tr>
</tbody>
</table>
**Sales Commission (or Loads) and Transaction Fees:**

- **No-load mutual funds** do not charge a sales commission, although they will have some of the on-going expenses listed above.

- **Front-end load**: An up-front sales commission that you pay when you buy your shares. For example: You put $1,000 in a mutual fund with a 5% front-end load; $50 will pay the sales charge and $950 of your money will be invested.

- **Back-end or contingent deferred sales load**: An exit fee, charged if you sell your shares before a specified number of years. The load often starts at 5% or 6% if you sell your shares in the first year and gets smaller each year until it reaches zero. Back-end load funds often charge higher 12(b) fees, so even if you hold onto the fund until the load falls to zero, over time you may pay more in fees than with a front-end load.

- **Exchange fees**: Charged when you switch investments from one fund to another in the same fund family.

**How do I find out what a fund charges in expenses?**

You can find information about expenses in each mutual funds’ prospectus. The prospectus is a booklet or document with a lot of information about the mutual fund. Near the beginning of the prospectus, there is fee table listing expenses. Many mutual fund prospectuses can be found online, or you can also contact the mutual fund company and ask them to send you a prospectus.

**Other useful information about fees:**

- Check to see if any fees are currently being waived. When the waiver ends, you could suddenly be hit by a big fee.

- Beware of the salesperson who:
  - Insists you must buy load funds,
  - Tells you “This is just like a no-load fund”, or
  - Moves you around into different funds more often than once every two years, generating more sales commissions for him/herself.

For more on mutual funds, read WISER’s *Guide to Understanding and Investing in Mutual Funds, and Mutual Fund Investing: Investment Concepts to Consider.*
**Traditional Individual Retirement Accounts (IRAs)**

An Individual Retirement Account or IRA provides a convenient way for all working people to save for their retirement. A traditional IRA is a tax-deferred retirement savings account; you pay taxes on the money in your account only when you make withdrawals in retirement. This is different from a Roth IRA where you pay into it with after-tax dollars, but your money is then allowed to grow tax-free and you do not pay taxes on withdrawals.

### Contribution Limits for 2019:

| Under 50 years old | $6,000 | Over 50 years old | $7,000 |

- Married couples can put in double the individual amount each year.
- You can put in less if you cannot afford the full amount. The important thing is to start saving.
- The **deadline for the annual contribution is April 15 of the following year**, though the earnings will accrue more quickly if you contribute earlier.
- Many people can get a tax deduction for the amount they put into an IRA.

### Tax Breaks

The traditional IRA, sometimes called a deductible IRA, offers two tax breaks:

- First, it may be tax deductible, which allows you to delay paying tax on the money you contribute. Example: if you earn $25,000 a year and put $5,000 into an IRA, you'll pay taxes on just $20,000.
- Second, all of your investment earnings from an IRA are tax-deferred. This means no taxes are paid until you start to withdraw the money at retirement. However, to avoid paying a penalty, you will have to wait until age 59½ to begin withdrawing money.

### When Can I Withdraw Money?

- If you withdraw any money before age 59½, you will have to pay a 10% penalty in addition to the regular income tax. After you reach age 70½, however, you must start making withdrawals.
- There are some exceptions. You are allowed to make penalty-free withdrawals for college tuition, as well as withdrawals of up to $10,000 for a first-time home purchase.

### How do I open an IRA?

- You can open an IRA at a variety of financial institutions, including banks, mutual fund companies and brokerage firms.
- Your best bet is to open one at a large, no-load mutual fund company. (Loads are commissions charged by some mutual funds; you want to avoid them whenever possible.) Ask mutual fund companies for free information on IRAs to help you choose which type is right for you.

### Rules on When the Contribution is Tax Deductible

- If you are single, widowed or married and neither you nor your spouse are covered by a company-sponsored retirement plan, you can fully deduct contributions to an IRA, regardless of income.
- If you ARE covered by a company retirement plan, there are limits on your deduction based on your adjusted gross income, or AGI (Your AGI is your gross taxable income minus certain "adjustments" like alimony payments, child support, etc.)
- If you are NOT covered by a company retirement plan but your spouse is, there are also limits on your deduction based on your adjusted gross income (AGL) See charts on next page.
### 2019 IRA Contribution and Deduction Limits (if covered by a company retirement plan)

<table>
<thead>
<tr>
<th>If Your Filing Status Is...</th>
<th>And Your Modified AGI Is...</th>
<th>Then You Can Take...</th>
</tr>
</thead>
<tbody>
<tr>
<td>single or head of household</td>
<td>$64,000 or less</td>
<td>a full deduction up to the amount of your contribution limit.</td>
</tr>
<tr>
<td></td>
<td>more than $64,000 but</td>
<td>a partial deduction.</td>
</tr>
<tr>
<td></td>
<td>less than $74,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$74,000 or more</td>
<td>no deduction.</td>
</tr>
<tr>
<td>married filing jointly or</td>
<td>$103,000 or less</td>
<td>a full deduction up to the amount of your contribution limit.</td>
</tr>
<tr>
<td>qualifying widow(er)</td>
<td>more than $103,000 but</td>
<td>a partial deduction.</td>
</tr>
<tr>
<td></td>
<td>less than $123,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$123,000 or more</td>
<td>no deduction.</td>
</tr>
<tr>
<td>married filing separately</td>
<td>less than $10,000</td>
<td>a partial deduction.</td>
</tr>
<tr>
<td></td>
<td>$10,000 or more</td>
<td>no deduction.</td>
</tr>
</tbody>
</table>

If you file separately and did not live with your spouse at any time during the year, your IRA deduction is determined under the “Single” filing status.

### 2019 IRA Contribution and Deduction Limits (if NOT Covered by company retirement plan)

<table>
<thead>
<tr>
<th>If Your Filing Status is...</th>
<th>And Your Modified AGI is...</th>
<th>Then You Can Take...</th>
</tr>
</thead>
<tbody>
<tr>
<td>single, head of household,</td>
<td>any amount</td>
<td>a full deduction up to the amount of your contribution limit.</td>
</tr>
<tr>
<td>or qualifying widow(er)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>married filing jointly or</td>
<td>any amount</td>
<td>a full deduction up to the amount of your contribution limit.</td>
</tr>
<tr>
<td>separately with a spouse</td>
<td></td>
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<tr>
<td>who is not covered by a plan</td>
<td></td>
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<tr>
<td>at work</td>
<td></td>
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</tr>
<tr>
<td>married filing jointly with</td>
<td>$193,000 or less</td>
<td>a full deduction up to the amount of your contribution limit.</td>
</tr>
<tr>
<td>a spouse who is covered by</td>
<td>more than $193,000 but</td>
<td>a partial deduction.</td>
</tr>
<tr>
<td>a plan at work</td>
<td>less than $203,000</td>
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</tr>
<tr>
<td></td>
<td>$203,000 or more</td>
<td>no deduction.</td>
</tr>
<tr>
<td>married filing separately</td>
<td>less than $10,000</td>
<td>a partial deduction.</td>
</tr>
<tr>
<td>with a spouse who is covered</td>
<td>$10,000 or more</td>
<td>no deduction.</td>
</tr>
<tr>
<td>by a plan at work</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If you file separately and did not live with your spouse at any time during the year, your IRA deduction is determined under the “Single” filing status.
Spousal IRAs

Spouses who don’t work for pay can contribute to a spousal IRA if they file taxes jointly with a spouse who does.

What Is It?
A spousal IRA is a type of individual retirement account that allows a working spouse to contribute to a nonworking spouse's retirement savings. A Spousal IRA creates an exception to the provision that an individual must have earned income to contribute to an IRA. Spouses with some earned income, but not enough to fund an IRA fully, can also qualify for the Spousal IRA.

To qualify, the couple must file a joint tax return. Spousal IRAs can be either traditional or Roth IRAs, and are subject to the same annual contribution limits, income limits and catch-up contribution provisions as traditional and Roth IRAs. While IRAs cannot be held jointly in both spouse's names, spouses can share their account distributions in retirement.

Benefits of A Spousal IRA
The non-working spouse benefits by having assets that are entirely his or her own. The Spousal IRA is a completely separate account, set up in the non-working spouse's name. This means that once a contribution is made to that IRA, it belongs entirely to the person who owns it, and not the person who made the contribution. For someone who has left the workforce to help raise a family, for example, this can be a great benefit, since a non working spouse loses out on that earning power and potential benefits.

As a couple, you can benefit by doubling your household contributions to an IRA. For 2019, the maximum contribution is $6,000. If the working spouse maxes out his or her IRA, and then makes another maximum contribution to the nonworking spouse's IRA, the household now has the ability to contribute $12,000 for the year. The only limitation is that the couple must have at least $12,000 of earned income between them. Each spouse can contribute and deduct an additional $1,000 if he or she will be 50 or older.

If the contribution is to a traditional IRA, then you can benefit from a bigger tax deduction.

If the contribution is to a Roth IRA, then there is more money in the accounts earning interest on a tax-free basis. Either way, the benefit to the couple is increased with the help of a Spousal IRA.

Impact of Participation in an Employer-Sponsored Retirement Plan
What impacts a Spousal IRA most is whether or not the working spouse participates in an employer-sponsored retirement plan.

Note:
If you were divorced or legally separated (and did not remarry) before the end of the year, you cannot deduct any contributions to your spouse’s IRA. After a divorce or legal separation, you can deduct only the contributions to your own IRA. Your deductions are subject to the rules for single individuals.
If the working spouse is not in an employer plan, deductible IRA contributions of up to $6,000 can be contributed to both their own IRA and a Spousal IRA—for a total of $12,000—regardless of the couple’s adjusted gross income (AGI) level.

If the working spouse has an employer-sponsored retirement plan, contribution to a non-working Spousal IRA may not be entirely deductible. In this instance, if the adjusted gross income is below $193,000, the noncovered spouse may still be able to deduct the entire contribution. However, the deduction for contributions for nonworking spouses where the working spouse is an active participant is phased out at adjusted gross income between $193,000 and $203,000.
Roth Individual Retirement Accounts (IRAs)

An Individual Retirement Account (IRA) is a convenient way for all working people to save for their retirement. You pay taxes on the money you contribute to your Roth IRA, but the money you save grows tax-free, and you do not pay taxes on withdrawals in retirement. This is different from a Traditional IRA, which is a tax-deferred account; you pay taxes when you withdraw money. Roth IRA contributions are limited by income level. If your income is above those limits, you can only contribute to a Traditional IRA. You can open a Roth IRA even if you participate in an employer-sponsored retirement plan.

Contribution Limits for 2019:

<table>
<thead>
<tr>
<th>If You Are UNDER 50 Years Old</th>
<th>If You Are 50 Years of Age or Older</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,000</td>
<td>$7,000</td>
</tr>
</tbody>
</table>

- Married couples can put in double the individual amount each year.
- You can put in less if you cannot afford the full amount. The important thing is to start saving.
- The **deadline for the annual contribution is April 15th of the following year**, though the earnings will accrue more quickly if you contribute earlier.
- Many people can get a tax deduction for the amount they put into an IRA.

Income-Based Contribution Limits for 2019:

Based on your adjusted gross income (AGI), you may be able to only make reduced contributions. Your AGI is your gross taxable income, minus certain “adjustments” like alimony payments, child support, etc.

<table>
<thead>
<tr>
<th>If your filing status is...</th>
<th>And your modified AGI is...</th>
<th>Then you can contribute...</th>
</tr>
</thead>
<tbody>
<tr>
<td>married filing jointly or qualifying widow(er)</td>
<td></td>
<td>up to the limit</td>
</tr>
<tr>
<td>$&lt; 193,000</td>
<td>≥ $193,000 but &lt; $203,000</td>
<td>a reduced amount</td>
</tr>
<tr>
<td>≥ $203,000</td>
<td></td>
<td>zero</td>
</tr>
<tr>
<td>married filing separately and you lived with your spouse at any time during the year</td>
<td></td>
<td>a reduced amount</td>
</tr>
<tr>
<td>$&lt; 10,000</td>
<td>≥ $10,000</td>
<td>zero</td>
</tr>
<tr>
<td>single, head of household, or married filing separately and you did not live with your spouse at any time during the year</td>
<td></td>
<td>up to the limit</td>
</tr>
<tr>
<td>$&lt; 122,000</td>
<td>&gt; $122,000 but &lt; $137,000</td>
<td>a reduced amount</td>
</tr>
<tr>
<td>&gt; $137,000</td>
<td></td>
<td>zero</td>
</tr>
</tbody>
</table>

Other Features of Roth IRAs

- You can withdraw contributions and earnings at age 59½ with no federal tax or penalty, provided you opened your account at least 5 years prior.
- If you are less than 59½, you can make tax-free and penalty-free withdrawals 5 years after opening your account for certain medical expenses, higher education expenses or to buy your first home.
- You can make contributions to a Roth if you continue to work in retirement as long as you stay within the income limits. Traditional IRAs do not allow contributions after age 70½.
- There are no mandatory withdrawals. Traditional IRAs require withdrawals beginning at age 70½.
Section Three:

Social Security

Social Security Checklist

What Every Woman Needs to Know about Social Security

Your Social Security Statement: What It Means and Why It’s Important

Supplemental Security Income (SSI)
Social Security Checklist

Social Security provides a very important benefit, especially for women. Here’s how it works.

1. **Have you earned a retirement benefit?**
   When you work and pay Social Security taxes, you earn “credits” toward Social Security benefits. You need 40 credits (the equivalent of 10 years of work) to be eligible to receive Social Security benefits. You must be at least age 62 to collect your worker retirement benefit.

2. **Do you know how much your benefit will be?**
   The easiest way to get an estimate of your benefit is to sign up for an online Social Security account at [ssa.gov/myaccount](http://ssa.gov/myaccount). You can also calculate your benefit using the Social Security Administration’s Retirement Planner, available at [ssa.gov/planners](http://ssa.gov/planners).
   You might remember receiving a benefit statement in the mail from the Social Security Administration, however, the agency currently mails benefit statements only to those individuals age 60 and over; to those individuals who do not have a Social Security online account and those who are not receiving Social Security benefits.

3. **Do you know what your full retirement age is?**
   Your full retirement age is the age at which you can claim your full, unreduced benefit amount. For anyone born between 1943-1954, the full retirement age is 66. For those born between 1955-1959, it ranges from 66 and 2 months to 66 and 10 months. For those born in 1960 and after the full retirement age is 67 years.

4. **Do you know the earliest age you can collect a retirement benefit?**
   You can claim your benefit as early as age 62 (unless you are widowed or divorced — see below).

5. **Do you know what happens to your benefit if you claim it early?**
   If you start your benefits early, your benefits are reduced permanently. Your benefit is reduced about one-half of one percent for each month you start your Social Security before your full retirement age. For example, if your full retirement age is 67 and you sign up for Social Security when you are age 62, you would only get 70% percent of your full benefit.

6. **Do you know what happens to your benefit if you wait to claim it?**
   If you delay your retirement benefits until after full retirement age, you also may be eligible for delayed retirement credits that would increase your monthly benefit by up to 8% a year. The benefit increase applies only until you reach age 70, so you should claim your benefit by then if you have not already done so.
7. **Do you know when widows can start to collect a survivor benefit?**

The earliest you can collect a survivor benefit is age 50, but only if you are disabled. Otherwise you can claim your benefit at age 60. However, if you take your survivor benefit at age 60 instead of waiting until your full retirement age, you will receive a reduced benefit amount just as you would if you claimed your own benefit early. Note that you can receive a survivor benefit at any age if you take care of the deceased worker's child who is under age 16 or is disabled and receives benefits on the worker's record.

8. **Do you know if you are eligible to receive a benefit if you are divorced?**

If you are divorced, but your marriage lasted 10 years or longer, you can receive benefits on your ex-spouse's record (even if he or she has remarried). If you remarry, however, you generally cannot collect benefits on your former spouse's record unless your later marriage ends, either by death, divorce or annulment.

Your benefit as a divorced spouse is equal to one-half of your ex-spouse's full retirement age benefit amount (or disability benefit) as long as you start receiving benefits at your full retirement age. The benefits do not include any delayed retirement credits your ex-spouse may receive. The benefit you are entitled to receive based on your ex-spouse's work must also be less than the benefit you would receive on your own work record. You do not receive the total amount of both benefits but rather you receive whichever is the higher amount.

9. **Can I work while receiving Social Security benefits?**

If you claim your benefit at full retirement age or later and you are still earning income, your benefit will not be impacted no matter how much you earn.

You can get Social Security retirement or survivor benefits and work at the same time. However, if you claim your benefit before full retirement age and make more than the Social Security yearly earnings limit, Social Security will reduce your benefit. For example, if you are under full retirement age for the entire year, Social Security will deduct $1 from your benefit payments for every $2 you earn above the annual limit (For 2018, the annual limit is $17,040). But this is only a benefit reduction in the short run; your benefit will be increased at your full retirement age to account for benefits withheld due to earlier earnings.
Social Security: What Every Woman Needs to Know

You can collect benefits on your own record, as a wife, or as an ex-wife. Also, you collect for as long as you live.

How do I become eligible for benefits?

■ As a worker: You must work and pay Social Security taxes for at least 10 years (40 quarters), and be at least 62 years old.

■ As a spouse or divorced spouse: You must be at least 62 years old. If you are a divorced spouse, you must have been married to your former spouse for at least 10 years and be unmarried.

■ As a widow or divorced widow: You must be at least 60 years old (unless you are disabled in which case you can claim your benefit as early as age 50). If you are divorced, you can claim the survivors benefit if you were married at least 10 years and are currently unmarried (unless you remarried after age 60).

If I qualify for more than one benefit, can I receive the total amount of both?

No. You will receive the benefit amount that provides you with the higher monthly benefit, but you do not receive both benefits added together.

When can I receive Social Security retirement benefits?

You may receive full benefits at “full retirement age.” Full retirement age is increasing gradually until it reaches age 67 for those who were born 1960 or later. See the chart below.

<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>1937 or earlier</td>
<td>65</td>
</tr>
<tr>
<td>1938</td>
<td>65 and 2 months</td>
</tr>
<tr>
<td>1939</td>
<td>65 and 4 months</td>
</tr>
<tr>
<td>1940</td>
<td>65 and 6 months</td>
</tr>
<tr>
<td>1941</td>
<td>65 and 8 months</td>
</tr>
<tr>
<td>1942</td>
<td>65 and 10 months</td>
</tr>
<tr>
<td>1943-1954</td>
<td>66</td>
</tr>
<tr>
<td>1955</td>
<td>66 and 2 months</td>
</tr>
<tr>
<td>1956</td>
<td>66 and 4 months</td>
</tr>
<tr>
<td>1957</td>
<td>66 and 6 months</td>
</tr>
<tr>
<td>1958</td>
<td>66 and 8 months</td>
</tr>
<tr>
<td>1959</td>
<td>66 and 10 months</td>
</tr>
<tr>
<td>1960 or later</td>
<td>67</td>
</tr>
</tbody>
</table>

What happens to my benefit if I claim early?

If you start your benefits early, your benefits are reduced permanently. Your benefit is reduced about one-half of one percent for each month you start your Social Security before your full retirement age. For example, if your full retirement age is 67 and you sign up for Social Security when you are 62, you would only get 70% percent of your full benefit.
What happens to my benefit if I delay claiming it?
You can increase the amount you receive by 8% each year if you delay taking benefits beyond your full retirement age. The increase applies from full retirement age to age 70. Once you reach age 70, no additional delayed credits will be applied, so you should definitely claim your benefit by then.

Can I work and still receive my Social Security benefit?
You can get a Social Security retirement or survivor benefit and work at the same time. However, if you claim your benefit before full retirement age and make more than the Social Security yearly earnings limit, Social Security will reduce your benefit. For example, if you are under full retirement age for the entire year, Social Security will deduct $1 from your benefit payments for every $2 you earn above the annual limit (For 2019, annual limit is $17,640). But this is only a benefit reduction in the short run; your benefit will be increased at your full retirement age to account for benefits withheld due to earlier earnings. If claim your benefit at full retirement age or later and still earn income, your benefit will not be impacted no matter how much you earn.

What kind of Social Security benefit can I receive if I am a widow?
You may be eligible for a survivor’s benefit if your spouse (or former spouse) passes away and is eligible for Social Security benefits. To collect the full Social Security benefit, you must have reached your full retirement age (although you can get reduced benefits starting at age 60, or age 50 if you are disabled) and be unmarried (unless you remarried after age 60). If you are raising the child(ren) of your deceased spouse who are under the age of 16, you may collect survivor benefits regardless of your age. These children receive benefits in their own names from ages 16-19 if they are unmarried and still in high school.

What kind of Social Security benefit can I receive if I am divorced?
If your ex-spouse is eligible for Social Security benefits, you can receive spousal benefits even if he has remarried and his current spouse is collecting benefits on his record. However, you must have been married at least 10 years and be currently unmarried. If you remarry, you generally cannot collect benefits on your former spouse’s record unless your later marriage ends (whether by death, divorce or annulment). If eligible, you can collect a benefit that is 50% of your ex-spouse’s Social Security full retirement age benefit. Note however that the benefit does not include any delayed retirement credits your ex-spouse may receive. Also, if you claim this benefit before your own full retirement age, the benefit amount will also be reduced. If your ex-spouse is deceased, you can collect survivor benefits, which would be up to 100% of your ex-spouse’s Social Security benefit.

How can I find out what my estimated benefit will be?
The Social Security Administration stopped mailing benefits statements to workers under the age of 60. The only people who will continue to receive statements in the mail are those 60 and over who do not have a Social Security online account and are not currently receiving Social Security benefits.

The easiest way to get an estimate of your benefit is to sign up for an online Social Security account at ssa.gov/myaccount. You can also calculate your benefit using the Social Security Administration’s Retirement Planner, available at ssa.gov/planners.
How do I start my Social Security benefits?
Social Security benefits are not sent automatically. You must apply for your benefit. The easiest way to apply is online at ssa.gov. You can also call the Social Security Administration at 1-800-772-1213. (TTY 1-800-325-0778) or make an appointment at your local Social Security office.

How long can I collect Social Security benefits?
These benefits will continue for as long as you live and are adjusted every year for inflation.

Will I have to pay taxes on my Social Security benefits?
You may have to pay federal income taxes on your Social Security benefits if you have other substantial income (such as wages, self-employment, interest, dividends, etc.) in addition to your benefits. About 40% of people who get Social Security have to pay income taxes on their benefits.

- If you file a joint federal tax return with your spouse and you have a combined income that is between $32,000 and $44,000, you may have to pay income taxes on up to 50% of your Social Security benefits.
- If your combined income is more than $44,000, up to 85% of your benefits may be taxable.
- If you file a federal tax return as an individual and your total income is between $25,000 and $34,000, you may have to pay income taxes on up to 50% of your Social Security benefits.
- If your total income as an individual is more than $34,000, you may have to pay taxes up to 85% of your benefits.
- If you are married and file a separate tax return, you will probably pay taxes on your benefit. Additional information is available in the Social Security Retirement Benefit booklet on the Social Security website, ssa.gov.

Do I get benefits if I have left the paid workforce to care for my family?
Social Security benefits are based on the highest 35 years of an individual’s earnings, but a person who works for at least ten years will generally qualify for some benefits. Currently, Social Security does not give credits toward your work record for time spent out of the workforce caring for children or other dependents; only paid working years are credited.

When can I receive Medicare benefits?
Medicare is the federal health insurance program for people age 65 and older. Generally, individuals are automatically eligible for Medicare if they are 65 years old and have 40 quarters of work credit in Social Security covered employment, or their spouse is eligible for Medicare.

How do I start my Medicare benefits?
If you are approaching age 65 and not receiving Social Security benefits, you must contact Social Security to apply for Medicare benefits. You will not get Medicare information sent to you automatically. You can be penalized for signing up late so apply several months before you turn 65, even if you are not ready to retire. Apply online at ssa.gov/medicare or call 1-800-772-1213.

If you are not 65 yet, but are already receiving Social Security retirement or disability benefits, you will be automatically enrolled in Medicare Part A and will have the opportunity to enroll in Part B in the month you turn 65 (or after 24 months of receiving disability benefits). You will receive a Medicare Initial Enrollment Period package three months before your 65th birthday.
Your Social Security Statement: What It Means and Why It’s Important

What does your Social Security Statement entail?
Also, how can it benefit your retirement?

Social Security is an important benefit, especially for women. It is never too early to start understanding Social Security benefits for both you and your loved ones. The more you learn now, the better prepared you will be in the future.

One of the best tools available is the Social Security Statement, available to all workers age 18 and over from the Social Security Administration (SSA) at ssa.gov/myaccount. To get your online statement, you must provide information about yourself that matches information already on file with SSA. Once your identity is verified, you establish a “My Social Security” account with a unique number and password which allows you to access your online statement. The portal also links to information about SSA’s other online services, including its online retirement application.

Also, workers and former workers above the age of 60 who are not receiving Social Security benefits and have not signed up for access to their Statement online automatically receive a Statement in the mail from SSA each year three months before their birthdate.

Whether you receive your Statement by mail or online, WISER recommends that you carefully review SSAs information about your future benefits thoroughly. Make sure that your earnings information is correct since your future benefits will be based on these earnings as they are recorded with the SSA. If any earnings shown in past years are incorrect, contact SSA at 1-880-772-1213. Have your W-2 or tax return for those years available.

This statement is an essential financial planning tool to help you to estimate your income in retirement, and determine how much money you will need to supplement your Social Security benefits. The statement will also give you details about your spouse’s and dependents’ possible benefits if you die, as well as your disability benefits if you were to become disabled.

The chart on the following page is an example of the “Estimated Benefits” page of a Social Security statement:
### Retirement

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Estimated Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your full retirement age (67 years), your payment would be about…</td>
<td>$1,915/mth</td>
</tr>
<tr>
<td>age 70, your payment would be about…</td>
<td>$2,405/mth</td>
</tr>
<tr>
<td>If you stop working and start receiving benefits, at age 62, your payment would be about…</td>
<td>$1,344/mth</td>
</tr>
</tbody>
</table>

### Disability

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Estimated Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>You have earned enough credits to qualify for benefits. If you became disabled right now, your payment would be about…</td>
<td>$1,889/mth</td>
</tr>
</tbody>
</table>

### Family Survivors

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Estimated Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you get retirement or disability benefits, your spouse/children may qualify for benefits. You have earned enough credits for your family to receive survivors benefits. If you die this year, certain members of your family may qualify for the following benefits:</td>
<td></td>
</tr>
<tr>
<td>your child…</td>
<td>$1,416/mth</td>
</tr>
<tr>
<td>your spouse who is caring for your child…</td>
<td>$1,416/mth</td>
</tr>
<tr>
<td>your spouse, if benefits start at full retirement age…</td>
<td>$1,889/mth</td>
</tr>
<tr>
<td>total family benefits cannot be more than…</td>
<td>$3,443/mth</td>
</tr>
<tr>
<td>Your spouse may be eligible for a one-time death benefit of…</td>
<td>$255</td>
</tr>
</tbody>
</table>

### Medicare

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Estimated Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>You have enough credits to qualify for Medicare at age 65. Even if you do not retire at age 65, be sure to contact Social Security 3 months before your 65th birthday to enroll in Medicare.</td>
<td></td>
</tr>
</tbody>
</table>

**Your estimated benefits are based on current law. Congress has made changes to the law in the past and can do so at any time. The law governing benefit amounts may change because, by the year 2035, the payroll taxes collected will be enough to pay only about 80 percent of scheduled benefits.**

**We based your benefit estimates on these facts:**

<table>
<thead>
<tr>
<th>Fact Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your date of birth</td>
<td>April 5, 1959</td>
</tr>
<tr>
<td>Your estimated taxable earnings per year after 2018</td>
<td>$48,642</td>
</tr>
<tr>
<td>Your Social Security number</td>
<td>S.S # here</td>
</tr>
</tbody>
</table>

**Things to Be Aware of Regarding Your Retirement Benefits:**

Knowing how much retirement income you can expect from your pension and Social Security benefits is essential to effective financial planning. Two provisions, the **Government Pension Offset (GPO)**, and **Windfall Elimination Provision (WEP)**, may decrease your retirement income, so it is important to know and plan for these provisions well before you retire. *If you continue working while receiving your benefit, your benefit amount might be impacted as well.*

**Government Pension Offset**

The Government Pension Offset provision affects the Social Security benefit you receive as a spouse or a widow if:

- you receive a pension from a job where you did not pay Social Security taxes, based on employment for a federal, state or local government agency, and
- you apply for Social Security benefits based on your spouse’s work record.

**How much is the offset?**

- The offset will reduce your Social Security spouse or widow’s benefit by about two-thirds of your government pension.
- For example:
  - You get a monthly pension from your government job of $600.
  - You are also eligible for a $500 widow’s benefit from Social Security.
  - Two-thirds of your government pension, or $400, will be subtracted from the widow’s benefit, and you will receive only $100 from Social Security.

**Windfall Elimination Provision**

The Windfall Elimination Provision reduces the Social Security benefit you receive based on your own work record if you are also eligible for a federal, state or local pension from employment that was not covered by Social Security.

The Social Security Administration uses a modified formula to compute your Social Security benefits, resulting in a lower benefit. The structure of the modified formula can be especially harsh for low-paid workers.

Windfall Elimination does not affect a Social Security survivor’s benefit unless the survivor (often the widow) is also a retired government employee.

**Receiving Benefits While Still Working**

You can get Social Security retirement or survivor benefits and work at the same time. However, if you are younger than full retirement age and make more than the Social Security yearly earnings limit, Social Security will reduce your benefit. For example, if you are under full retirement age for
the entire year, Social Security will deduct $1 from your benefit payments for every $2 you earn above the annual limit (For 2019, annual limit $17,640). Starting with the month you reach full retirement age, Social Security will not reduce your benefits no matter how much you earn. But this is only a benefit reduction in the short run; your benefit will be increased at your full retirement age to account for benefits withheld due to earlier earnings. If claim your benefit at full retirement age or later and still earn income, your benefit will not be impacted no matter how much you earn.
Supplemental Security Income (SSI)

This program is strictly need-based, according to income and assets. It has nothing to do with work history, but strictly with financial need.

What is SSI?
Supplemental Security Income (SSI) is an important resource for low-income older and disabled people. It is particularly important for women, who represent the majority of its recipients. SSI provides cash assistance to people who are disabled, age 65 and older, or blind, and who have little income and assets. Though SSI is administered by the Social Security Administration, it is distinct from standard Social Security, or Old Age, Survivors, and Disability Insurance (OASDI) because it is means-tested, and not based on earnings.

What benefits does it provide?
The maximum benefit for a single person in 2019 will be $771, but most earned income (with some exceptions) is subtracted from this amount. For example, the average monthly benefit for an individual in 2019 was $567. Most states also provide a state supplement to the benefit.

What about healthcare?
In most states, people eligible for SSI are automatically eligible for Medicaid, although a handful of states have stricter eligibility requirements for Medicaid than for SSI.

How do I know if I qualify?
You must be either disabled, over the age of 65, or blind, and have $2,000 or less in resources if you are single (or $3,000 for a couple). SSI uses the same disability criteria as SSDI: Your disability must result in an inability to participate in Substantial Gainful Activity (SGA), and must last or be expected to last at least a year, or result in death.

What does Substantial Gainful Activity mean?
Substantial Gainful Activity refers to a level of earnings and work activity. In 2019 SGA can generally be demonstrated by earning $1,220 a month. However, “substantial, gainful activity” means any work that both requires significant physical or mental effort, and could be done for profit. In other words, even if you are doing volunteer work, it can count as substantial gainful activity if it is work for which people are ordinarily paid, and which requires physical or mental effort. If you are blind, SGA is calculated differently.

What counts towards the resource limit?
Many sources of income are not counted towards the resource limit. For example, the value of your home and one car are excluded. Also excluded are life insurance policies totaling less than $1,500 at face value (face value is the amount that will be paid to beneficiaries when you die). Non-cash benefits, such as food stamps and heating assistance, do not count towards the resource limit either.
**How are my benefits calculated?**

When calculating monthly benefits, SSI excludes the first $20 of unearned income, such as Social Security. It also disregards the first $65 of earned income, and half of the remaining income after that. For example, if you earn $500 a month through part time work:

1) $500
   - $20 (Not counted)
   __________________________
   $480
   - $65 (subtracted by Social Security)
   __________________________
   $415 divided by $207.50
   ½ = $207.50

2) $771 SSI Federal Benefit Rate
   - $207.50 (countable income)
   __________________________
   $563.50 SSI Federal Benefit

**What do I need to have with me when I apply?**

You should have your Social Security card, proof of age, such as a birth certificate, passport or other proof of citizenship, payroll stubs, bank statements, insurance policies, lease or deed, and information about work history. For more detailed information regarding what you will need, contact the Social Security Administration at 1-800-772-1213 or online at www.ssa.gov.

**How do I apply?**

You can call 1-800-772-1213, or apply in person at your local Social Security office. You can find a local office by calling the Social Security Administration or you can enter your zip code online at https://secure.ssa.gov/ICON/main.jsp
Section Four:

Retirement & Employer Retirement Plans Basics

Get your Ducks in a Row

Working Woman’s Retirement Plan Checklist

Employer Retirement Plans: Two Basic Types

Your 401(k) Questions Answered

Retirement Plans for Small Business
# Get Your Ducks In A Row – Add Up Your Sources Of Retirement Income

This table will help you identify your sources of retirement income. It will also help you estimate what benefits will be available for as long as you live, for your spouse as a widow or widower, and whether it will keep up with inflation.

<table>
<thead>
<tr>
<th>Source of income</th>
<th>Monthly</th>
<th>Will you get the income amount for life?</th>
<th>Will the income keep up with inflation?</th>
<th>Can some or all of the income continue to surviving spouse?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Social Security</strong></td>
<td>$ _____________</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes, offset by other Social Security benefits payable to the survivor.</td>
</tr>
<tr>
<td><strong>B. Employer pension</strong></td>
<td>If paid as monthly income</td>
<td>$ _____________</td>
<td>Yes</td>
<td>Private plans usually do not. Public employee plans often do. What is your plan’s track record?</td>
</tr>
<tr>
<td><strong>C. Employer savings plan account (401-k)</strong></td>
<td>If paid as guaranteed monthly income</td>
<td>$ _____________*</td>
<td>Yes</td>
<td>Not usually. Amount is fixed unless you use a variable or indexed annuity.</td>
</tr>
<tr>
<td><strong>D. Employer pension or savings plan account</strong></td>
<td>If paid in a lump sum that’s rolled over to an IRA and invested</td>
<td>$ _____________*</td>
<td>Some risk of running out of money, depending on how well you manage investments and spending.</td>
<td>Depends on the performance of your investments and the economy while you’re retired.</td>
</tr>
<tr>
<td><strong>E. Part-time work</strong></td>
<td></td>
<td>$ _____________</td>
<td>No. In later years it is very difficult to find a suitable job that you can continue to perform.</td>
<td>No</td>
</tr>
</tbody>
</table>

**Totals:**

<table>
<thead>
<tr>
<th>Amount</th>
<th>How to Calculate Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial income in retirement (all sources)</td>
<td>Add A, B, C, D, and E</td>
</tr>
<tr>
<td>Income you can count on for life</td>
<td>Add A, B, and C</td>
</tr>
<tr>
<td>Income that can keep up with inflation</td>
<td>Add A and E, maybe B, C, D</td>
</tr>
</tbody>
</table>

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Working Woman’s Retirement Checklist

Questions to ask about any retirement plan. Also, what you need to know if you’re contemplating divorce.

What women need to know:
- Have you earned a retirement benefit(s) at any of your jobs?
- Do you know how much your benefit(s) will be?
- Do you know what happens to your benefit if you change jobs?
- Do you know what happens to your benefit if you retire early?
- Do you have retirement plan information from all of your jobs?
- Do you know how much your Social Security benefit will be?
- Do you know how you can save for retirement if you do not have a retirement plan?

What women need to ask their spouses:
- Have you earned a retirement benefit(s) at any of your jobs?
- Is the benefit(s) a traditional pension benefit or a 401(k)-type plan?
- Do you know how much the benefit will be upon retirement?
- Will I receive a benefit in the event that you become disabled or die?
- Do you know how much that benefit will be?
- When are you entitled to retire and receive a full or partial retirement benefit?
- Do you know whom to talk to at work about this?
- Does your current job allow you to save through a tax deferred savings plan such as a 401(k) plan or a 403(b) account?
- When should we discuss our overall retirement strategy to plan for our future?
- Do you have an Individual Retirement Account? Am I the beneficiary?

What women need to ask their employers:
- Does the company offer a retirement plan?
- Does the plan cover or include my job?
- Can my plan benefits be reduced by Social Security or other government payments?
- How long does it take to earn a legal right to the plan or to be vested in the plan?
- Do we have a tax deferred savings plan such as a 401(k) or a 403(b)? Does it offer employer matching contributions?
- What’s the present value of your retirement plan?
- What would happen if you changed jobs?

What women need to ask if contemplating divorce:
- Is my attorney knowledgeable about splitting retirement benefits in divorce?
- Am I eligible for a portion of my spouse’s retirement plan?
- Will I qualify for a portion of my spouse’s Social Security benefit?
- How can I ensure that my spouse does not give the benefits to someone else?
- Can I ensure that my spouse does not select lifetime benefits in lieu of a joint and survivor annuity?
- Is there a life insurance policy that names you as the beneficiary?
Employer Retirement Plans: Two Basic Types

There are two basic types of retirement plans typically offered by employers – defined benefit plans and defined contribution plans.

Defined Benefit Plans

- In a defined benefit plan, the employer establishes and maintains a pension that provides a benefit to plan participants (employees) at retirement.
- Employers are responsible for making contributions to the plan and ensuring there is enough in the plan to pay the benefits when the employee retires. Some plans also provide for participants to contribute.
- At retirement, the participant gets a monthly benefit, usually based on age at retirement, rate of pay, and number of years the participant worked under the plan. The benefit would also factor in whether there is a spouse who may be entitled to survivor benefits.
- Most defined benefit plans are insured by the federal government.

How do I become a participant of the pension plan at my job?

- Ask your employer or the human resource manager if there is a pension plan. If there is a plan, ask how you would become a participant. Often the employer has to work a set number of years to eligible for the pension plan (see below).
- Under the law, the employer can decide which categories of employees are covered by the pension. Employees working part-time or as independent contractors are not likely to be covered.

How many years do I need to work to be entitled to pension benefits?

- Under many defined benefit pension plans, you will be entitled to receive benefits at retirement after you are a participant for 5 years. This is called vesting.
- Some pensions provide for gradual vesting beginning when an employee has been a participant for 3 years and ending with full vesting at the 7 year mark.
- You are always vested in contributions you make to the pension from your salary.
- If you leave before you are vested, you will likely forfeit the benefit unless you return to the job within 5 years. Check with your plan and make sure you know the rules.

What is Social Security integration?

- Some defined benefit pensions factor in employees’ Social Security in the pension benefit formula. This results in a smaller pension amount.

Defined Contribution Plans

- In a defined contribution plan, the employee contributes a portion of a participant’s salary to a retirement plan that the employer sets up.
- The benefit at retirement depends on how much is in the participant’s account.
- Sometimes the employer matches part or all of the employee’s contribution.
- The most common defined contribution plan is a 401(k) plan.
What is a 401(k) or 403(b)?

A 401(k) is a defined contribution retirement plan maintained by the employer. You contribute a portion of your salary to the plan and the employer may match your contributions. A 403(b) plan operates like a 401(k) and is used by tax-exempt organizations.

- The contributions go into your individual account.
- The money you contribute is taken from your paycheck before taxes.
- You decide how to invest the contributions using the choices that the plan provides.
- You pay taxes during retirement as you receive benefits.
- There is an early withdrawal tax penalty of 10% if benefits are taken out before age 59 1/2.
- Check to see what the rules are for vesting in any employer contributions. You are always vested in the contributions you make from your salary.
- A 401(k) plan is “portable,” meaning that when you leave a job you often can roll the amount you contributed, any employer contributions that are vested, plus earnings into another qualified or individual retirement account (IRA). Check with the plan to see what the rules are for doing this, including whether it makes sense to leave the money in the 401(k).

Disadvantages of 401(k)s:

- The employee has the responsibility to decide whether and how much to contribute to the plan under the plan rules.
- The employer’s plan offers a variety of investment choices and the employee has the responsibility to decide which investments to choose.
- The amount in the 401(k) account at retirement depends on the amount participants have been able to contribute, the investment returns, minus plan fees, expenses, and investment losses.
- Some people cannot afford to participate or to contribute enough to retire with adequate income.

Resources

Pension Rights Center
1-888-420-6550
www.pensionrights.org

The Pension Rights Center also offers free information and legal assistance through Pension Help, www.pensionhelp.org.
Your 401(k) Questions Answered

If you have a 401(k) plan, then you need to know how it works. Here are answers to some common questions.

Can I withdraw money from my account while I am still working?
Most plans offer loans that allow you to borrow money from your 401(k) account, but you have to pay it back with interest. If you fail to pay back the loan, it is treated as if you had withdrawn the money. The loan balance will be subject to the 10 percent early withdrawal penalty and counted as current income.

If your plan does not have a loan provision, you may be able to qualify for a severe financial hardship withdrawal. According to the IRS, a hardship withdrawal includes the following:

- A down payment on a primary residence
- College tuition for you or your dependents
- Non-reimbursed medical expenses
- Preventing eviction or foreclosure from your home

Some companies are more lenient than others. You will need to reference your plan document or ask your Human Resources representative.

Can I stop contributing if I feel I can’t afford to?
Most plans allow you to stop contributing at any time though employers are not required by law to allow you to do so. Some plans may require specific percentage contribution for a full plan year so be sure to check your plan rules.

What happens to my 401(k) account if I choose to leave or am fired from the company?
First, remember that it usually takes five years to “vest” in the money contributed by your employer. Don’t lose out by leaving your job too soon. Your options for distribution are the same whether you voluntarily leave or are terminated. If your account balance is more than $5,000.00, you can leave your money in the plan. To avoid a penalty, you can roll your vested account balance into another plan with your new employer or put it into an IRA.

How long can my former company hold my account balance from my date of termination?
There is no quick, general answer. There are four factors that affect the timing of your distribution:

- 401(k) plans may provide a time frame, laid out in the plan document or summary plan description.
- Your distribution cannot be processed until after the plan’s next valuation date. The valuation date is the time when the plan determines the account balances of participants. Companies can also determine account balances daily, monthly, quarterly, semiannually or even annually.
- How your money is invested can affect how long it will take for you to get your distribution. While most investments can be liquidated quickly, a few, such as some real estate investments, may take longer to be converted to cash.
- Processing your paperwork after the valuation date can take a few days or a few weeks depending on how your plan is managed.

The company is responsible for and must pay fees on your account balance as long as your money remains in its plan.
Retirement Plans for Small Businesses

Deciding on the right retirement for a small business will involve a comparison of administrative costs as well as tax considerations.

There are options for small businesses that want to set up a retirement plan for their employees. Employer and employee contributions to retirement plans are generally tax deductible.

Two plans are specifically designed to make it easier for smaller businesses to set up a retirement plan. These plans require very little paper work and have low administrative costs.

- **SEP** – Simplified Employee Pension
- **SIMPLE** – Savings Incentive Match Plans for Employees

Other options for businesses include:

- 401(k) plans
- Profit-sharing Plans

**SEP – Simplified Employee Pension**

Under a SEP, an employer contributes directly to traditional individual retirement accounts (SEP-IRAs) for all eligible employees (including themselves). A SEP does not have the start-up and operating costs of a conventional retirement plan. Contributions to a SEP are also tax deductible and your business pays no taxes on the earnings on the investments. A business of any size, even someone self-employed, can set up a SEP.

**How it works:**

- The employer chooses a percentage to contribute. In 2019, this amount can up to 25% of compensation, with a maximum of $56,000.
- Each year, the employer can decide how much to put into a SEP, and you are not locked into making contributions every year.
- Generally, you do not have to file any documents with the government.

**Easy to set up:**

- The employer fills out a short form.
- The employer finds a bank, mutual fund, or other financial institution with which to set up the plan. The financial institution will complete additional paperwork.
- Administrative costs are low.

**Good for employees:**

- Employees are 100% vested in all contributions;
- Employees can choose where to invest their money; and
- Employees keep their accounts when they change jobs.

For more information on SEP accounts, see The Department of Labor’s *SEP Retirement Plans for Small Business* publication located at [www.dol.gov/ebsa](http://www.dol.gov/ebsa)
**SIMPLE – Savings Incentive Match Plans for Employees**

A SIMPLE plan allows employees and employers to contribute to traditional IRAs set up for employees. It is ideally suited as a start-up retirement savings plan for small employers not currently sponsoring a retirement plan. Employers with 100 or fewer employees can set up a SIMPLE.

**How it works:**

- Largely funded by employee contributions, but limited employer contribution required.
- In 2019, employees may contribute a percentage of their salary, up to $13,000 a year (plus an additional $3,000 if you’re 50 or older)
- Each year, the employer contributes either:
  - an amount that is equal to the employee’s contribution (up to 3% of pay) or
  - a fixed contribution of 2% of the employees’ wages

**Easy to set up:**

- The employer fills out a short form.
- The employer finds a bank, mutual fund or other financial institution with which to set up the plan. The financial institution will complete additional paperwork.
- Administrative costs are low.
- No IRS reporting is required.

**Good for employees:**

- Employees are 100% vested in all contributions;
- Employees can choose where to invest their money; and
- Employees keep their accounts when they change jobs.

The Department of Labor has additional information and resources about setting up a SIMPLE Plan: “SIMPLE IRA Plans for Small Business” publication at [www.dol.gov/agencies/ebsa](http://www.dol.gov/agencies/ebsa)

To learn more about the differences between a SEP and SIMPLE Plan, check out this helpful chart from USAA: [www.usaa.com/inet/pages/ira_simple_vs_sep](http://www.usaa.com/inet/pages/ira_simple_vs_sep)

**401(k) Plans and Profit-Sharing Plans**

**How 401(k)s work:**

- Employees contribute a percentage of their pay to the 401(k) up to a certain limit. In 2019, the contribution limit is $19,000 ($6,000 or $7,000 if you’re 50 or older). Salary deferrals can be either on a pre-tax basis or as designated Roth contributions.
- The employer may match the contribution.
- 401(k)s are more complex to administer than SIMPLEs, but may allow higher contributions.
- Unlike SIMPLE and SEPs, these plans require reporting to the government.

**How profit-sharing plans work:**

- The employer bases contributions on business profits or a percentage of pay.
- The employer can change the percentage each year.
Section Five:

Divorce and Widowhood

10 Ways to Avoid Losing the Pension During a Divorce

Divorce, A Time of Caution

The 12 Worst Mistakes Lawyers Make in Preparing Pension Orders

7 Key Questions You Need to Ask BEFORE Your Divorce is Final

A Checklist for Widows

Rights of Surviving Spouses
10 Ways to Avoid Losing the Pension During a Divorce —

*Use this checklist! Don’t assume your lawyer knows all about the many federal and state laws for pension-splitting.*

Retirement benefits can be a couple’s largest asset to be divided at divorce. The divorce court needs a special court order requiring the retirement plan in very certain, specific terms to give you a portion of your spouse’s retirement benefits.

**Ask your lawyer…**

☐ Do you have experience dividing pension plans and drafting pension orders (Qualified Domestic Relations Orders or QDROs)?

☐ Do you have the necessary information from all of my spouse’s pension plans?

☐ Do you know that different types of benefits must be specifically included in the pension order?

☐ Will my payments stop if s/he dies? Should I be getting a survivor’s benefit? If I remarry, will that change or stop any of my benefits?

☐ How will state laws affect what I get, and can we negotiate something better?

☐ What could my former spouse do in the future that would reduce or stop my benefits?

☐ Have you investigated all possible requirements or legal loopholes that might prevent me from receiving benefits?

☐ Have you prepared a pension order to be signed by the court at the time of my divorce?

☐ Has the order been pre-approved by the pension plan?

☐ Will you follow up to make sure that the final pension order is sent to the pension plan and officially accepted by the plan administrator?
Divorce, A Time of Caution

Divorce is a time for caution. Knowing the process and how pensions are split can help you avoid costly mistakes.

Take the example of Patricia Kingston: she was married for 25 years to a man who worked for the same company for 30 years. When her lawyer negotiated her right to the pension benefit, he neglected to include a survivor benefit. Unfortunately, her husband died at an early age so she will receive nothing from his pension benefit.

Largest Asset at Divorce –
Getting a Fair Share of the Pension Can Be Important Insurance for Your Retirement Security.

Retirement benefits can be a couple’s largest asset to be divided at divorce. Benefits that may be treated as marital property include company pension and 401(k) plans, federal, state and local government employee retirement plans, military retirement and IRAs, among others.

The Process –
Getting Part of the Pension is Not Just a Simple Matter of the Wife Applying for a Share of Her Spouse’s Retirement Benefits.

Rather, the divorce court needs to issue a special court order requiring the retirement plan in very certain, specific terms to give her a portion of her spouse’s benefits. The exact name of the appropriate pension order varies depending on the type of plan (private or governmental). The most commonly used court order is known as (for the private pension system) a Qualified Domestic Relations Order (QDRO).

Who Prepares the Court Order?
It is usually the job of the wife’s lawyer (if she is the one claiming the pension share) to prepare the pension order. Your lawyer first has to have all the right information about the law and your spouse’s retirement plans, including the federal laws that govern private pensions, as well as your state’s marital property law. The lawyer also has to know the various features of that particular company’s plan, as well as the plan’s own procedures for processing QDROs.

Don’t Assume Anything!
Most women reasonably assume that their lawyers know all about the many federal and state laws that set the rules for pension-splitting. Unfortunately, many lawyers either do not know or do not take the time to find out all the information needed to prepare a pension order that will be acceptable to the pension plan and fully protect the wife’s interests. They also don’t explain to their clients all their rights and options in collecting a pension share. Other lawyers don’t follow up to make sure that pension plan officials receive and approve the final pension order promptly after the divorce is final.

The result of these mistakes, in many cases, is that the former wife loses some or all of the retirement benefits she expected to receive. Sometimes, the errors made by a lawyer can be fixed by asking the court to issue an amended pension order, or the ex-wife is able to recover some of her benefits by suing her former lawyer for malpractice. In too many instances nothing can be done, and the former wife simply loses out on the benefits that rightfully were hers.
The 12 Worst Mistakes Lawyers Make in Preparing Pension Orders

Make sure you know what could go wrong. Don’t lose out on important retirement benefits because of a mistake made by your divorce lawyer.

1. **The lawyer doesn’t ask for the important information about the spouse’s pension and retirement benefits soon enough.**

Long before you sign a property settlement agreement or go to court, your lawyer should obtain the plan document (that is, the full set of rules) or the summary plan booklet for each pension plan. The attorney should also ask for the plan’s procedures for “domestic relations orders.” Among other features, the plan may have certain options or restrictions about when the former spouse’s share can be paid to her under a domestic relations order. These sorts of details can make a difference in your negotiations with your spouse.

**Note:** The rules for most government retirement plans (federal, state and local) are usually found in publicly-available statutes and regulations rather than a “plan document.” Your lawyer should be familiar with these laws.

2. **The lawyer fails to prepare any pension order.**

If you are entitled to a share of your former spouse’s retirement benefits, it is important that your lawyer makes sure the court signs a pension order at the time of your divorce. Otherwise, years later, you may have to pay another lawyer to finish the job. In the worst case, if your former spouse has died, retired or remarried, you may lose some of the benefits you could have received if a pension order had been prepared beforehand.

3. **The lawyer fails to obtain information about every retirement benefit of the spouse’s that might be marital property.**

These days, many employees are covered by more than one pension or retirement plan at the same time. For example, an employee in a large company may be covered by a pension plan, a “401(k)” savings plan, and an employee stock ownership plan (ESOP). Benefits under all of these plans may be marital property, and your lawyer needs information about each of them. Also, your spouse may still have benefits coming from previous jobs. If necessary, your lawyer should ask the court to issue a subpoena (an order to provide certain documents or information) to each employer or former employer asking for details about all retirement benefit plans.

4. **The lawyer fails to obtain information about all the features of a particular pension plan.**

Benefits under different pension and retirement plans vary widely, with some plans paying more than one type of benefit. For example, some plans provide cost of living increases to retirees. Others will pay specially-enhanced benefits to employees who agree to retire early, meaning that your spouse’s benefit might suddenly increase when he reaches a certain age or number of years of service. If your pension order doesn’t specifically name each type of benefit, the plan administrator may not be obligated to pay you a share of them.
5. The lawyer fails to ask for a survivor benefit or doesn’t advise the wife that none is available.

Be sure to ask whether your former spouse’s death will have any effect on your benefit. What if he dies before he starts collecting his own benefit? In many situations, a former spouse will share in her spouse’s pension only as long as he is living, unless the court has also specifically awarded her a survivor’s pension. Also, some state and local government plans won’t pay survivors’ pensions to divorced spouses under any circumstances.

You need to know how your retirement income will be affected. If you learn that pension benefits won’t continue after your spouse’s death, you may want to try to get him to buy a life insurance policy with you as beneficiary to protect your retirement income.

6. The lawyer fails to explain to the wife how retirement benefits are usually divided under state law.

State marital or community property laws usually specify how pension and retirement benefits are to be divided at divorce. How is your marital share figured? When can it be paid? Your lawyer should explain to you how these laws apply to your situation. If state law isn’t very helpful to divorcing women, could you negotiate something better? For example, even if state law says you have to wait to collect your pension share until your spouse actually retires, you may be able to work out an agreement with your spouse that will let you collect your benefits right away, if that would be more favorable to you.

7. The lawyer fails to explain to the wife what the former spouse might do in the future that would reduce or eliminate her share of the benefits.

What if your former spouse never applies for his/her own pension? What if he/she is injured on the job or disabled? What if he/she waives his rights to his pension? Would these or other acts affect your benefits? If so, what legal recourse would you have? Make sure that your property settlement agreement allows you some options if the worst happens. As an example, you may want to be able to ask the court to require your former spouse to pay you alimony or other property if he interferes with your right to the pension benefits.

8. The lawyer fails to explain what effect your remarriage may have on your benefits.

Some federal, state and local government employee benefits will stop if the former wife remarries. For example, both federal civil service and military survivor pensions terminate if the former spouse remarries prior to age 55. Also, any pension benefits that have been awarded to you as alimony or spousal support, rather than marital property, will likely terminate upon your remarriage since alimony and support payments are usually cut off when the former spouse remarries.

9. The lawyer is unaware of unusual requirements or loopholes in the law that could result in the pension order being rejected by the plan administrator.

Some pension and retirement plans are not required to accept any court order transferring benefits to a former spouse. These include many benefit plans for highly-paid company executives as well as certain “deferred compensation” plans for state and local government employees. Likewise, federal government retirement systems have many unexpected requirements for paying pensions to former spouses.
For example, the government won’t pay you a share of military retirement benefits awarded as marital property unless you were married for at least ten years of your spouse’s military service. Also, a federal civil service survivor pension is usually not available if the pension order is signed by the court after the divorce is final and the employee has retired.

10. The lawyer fails to have the proposed pension order pre-approved by the plan in advance of being sent to court.

You cannot get your pension money until the plan administrator has officially accepted the pension order signed by the court. But if the order does not follow the rules of the plan, it will likely be rejected and your lawyer will have to go back to court to get an amended order that the plan will accept. You can avoid unnecessary delay and legal fees if your lawyer will ask the plan administrator to tell you in advance whether the proposed order will be acceptable.

Most company pension plan administrators as well as many state and local plan officials will informally review a proposed pension order before it has been signed by the divorcing couple or the judge. Federal government plans, unfortunately, usually will not review pension orders in advance.

11. The lawyer fails to follow up after the divorce to make sure that the final pension order is sent to the plan and officially accepted by the plan administrator.

Your pension order should be signed by the judge at the time of your divorce, or as soon as possible afterward. Then your lawyer should mail a copy of the final order to the pension plan administrator – but that’s not the end of it. Sometimes a pension plan will lose a pension order or just let pension orders pile up for months without looking at them. It is very important to follow up to make sure that the plan receives your pension order and notifies you or your lawyers promptly in writing that the order has been accepted, even if you were not expecting to receive your benefits until years later.

12. The lawyer fails to explain to the wife her right to Social Security benefits.

Social Security benefits are usually not treated as marital property by state divorce courts, but if you were married at least ten years, then you may be automatically eligible under federal law for Social Security benefits as a divorced spouse. For this reason, it might be a good idea for your lawyer to ask your spouse to provide you with a benefit estimate that he can get from the Social Security Administration. You can obtain more information about the rules for collecting benefits by calling Social Security at (800) 772-1213 or looking at the agency’s website at www.ssa.gov.

A Final Note of Caution!

Don’t leave everything to your lawyer. If you have questions about your pension rights at divorce, be sure you get the answers you need before your divorce is final, even if you have to be the one to collect some of the information.
7 Key Questions You Need to Ask BEFORE Your Divorce is Final

To make an intelligent decision on how to divide a pension, find out what kind of pension it is, how it is funded, and how it pays out.

Does he have more than one pension or retirement plan from his current or previous job?
He may be eligible for (or may already be receiving) retirement benefits from any current or previous job. Your settlement must refer to each plan in order for you to get benefits from each. He may, for example, have a traditional pension plan and also a 401(k) plan. Both types of plans can be divided at divorce.

Has he worked long enough to earn a legal right to the pension?
Most plans now provide benefits after five years of work. However, if your husband has worked for the federal, state, or local government, you will have to find out about the different rules that apply to those pensions.

Do you know how much he has earned or “accrued” in pension benefits under each plan?
You or your attorney can write to the pension plan administrator to get a copy of his most recent annual benefit statement. Or ask the court to order the plan to furnish one. You should also request a summary plan description (SPD), which will describe the key features and rules of the plan. The SPD will tell you if the plan provides for cost of living adjustments.

Do you need to have the benefit valued?
Sometimes the pension is worth more or is more complicated than the amount on the annual statement. Have a pension actuary or an accountant calculate the lump sum present value of the monthly pension.

Do you know what information needs to be in the court order, decree, or property settlement before the pension plan will pay the benefits directly to you?
The court order required to divide a company pension plan is a Qualified Domestic Relations Order (QDRO). As soon as divorce proceedings start, have your attorney contact your husband’s plan administrator for the QDRO procedures. Each pension plan is different and many companies have developed their own QDRO forms to make it easier for the court and the ex-spouse.

Does the order clearly specify what amount is to be paid to you?
The amount can be stated as a fraction or percentage of the pension. It can be based on the total benefit earned as of the separation date, the date of divorce, the date he is eligible for retirement, or the date he retires.

Does the order provide for survivor benefits, so that your benefits can continue if your ex-husband should die first?
Traditional company pension plans provide a survivor’s benefit of 50% of the amount the husband received. Ex-wives can receive these benefits, but must be specifically included in the order, or the benefits may stop when the ex-husband dies.

by Anne E. Moss, J.D., author of Your Pension Rights at Divorce
A Checklist for Widows

Following the loss of a spouse, the financial decisions and details can be confusing and overwhelming.

Women are likely to outlive their spouses. Ask your mother, sister, and friends if they know what to expect. Share this with others to help them prepare!

- Expenses are likely to be 80 percent of what they were before the spouse dies, but a widow’s income may only be two-thirds of what it was prior to the spouse’s death. Pension benefits from the spouse’s work generally are reduced by 50%, and Social Security benefits may be reduced by a third or more.

- Federal pension law requires company and union pension plans to provide a joint and survivor’s benefit option. The survivor pension can only be given up if the wife gives her permission in writing.

- When selecting the pension benefit, a wife needs to consider the options very carefully. The joint and survivor annuity offers a smaller monthly payment than other pension benefit options. However, for women who expect to depend on their spouse’s pension for a source of income in retirement, this is generally the better option.

- If a wife and spouse chose a “joint and survivor’s benefit” when s/he retired, the widow will receive a benefit equal to half of what s/he had been receiving. However, if they did not choose that option, the pension benefit stops when the spouse dies, because the payments would be based only on the spouse’s lifetime.

- Different rules apply to certain other retirement savings plans, such as 401(k)s. Death benefits from a 401(k) are generally paid out in a lump sum, which can be rolled over – tax-free – into an Individual Retirement Account (IRA).

- If the spouse worked at a state, local or federal government job, then the widow must find out what the special rules are that apply to that pension.

Basic Questions for Widows:

- Are you prepared to handle your finances? These are life-long decisions and choices that will have an impact on your future. Take your time so you can plan as you transition into this new situation.

- Did the family have a Financial Advisor or accountant? If so, that person should have a fiduciary obligation to help you in your current situation. If not, find someone else you can trust to help you.
Do you have a list of relevant financial information? Create a financial inventory of your bank accounts, life insurance policies, retirement plans, real estate, brokerage accounts, mutual funds and business interests (partnership & corporation).

The first step to understanding your financial situation is getting organized. Remember do not make quick decisions about significant purchases or investments until you have the complete financial picture.

Have you notified your insurance companies, financial institutions, and the Social Security Administration about the death of your spouse? Ask the funeral director for about 15-20 death certificates to use as proof of death. This document will enable you to access accounts in your deceased spouse’s name. Also, it is important to contact the Social Security Administration immediately. You may be eligible for the Social Security Survivor benefit, but that too is another big lifetime decision. See WISER’s Feature Article, The Case of the Growing Social Security Retirement Benefit, for more information about claiming your benefits.

Do you have access to a “liquid savings” account? You will need access to cash to pay your household and other expenses. If your bank account is in your husband’s name, you will not have access to the account until your spouse’s financial affairs are settled.
Rights of Surviving Spouses

You may be able to receive benefits from your spouse’s pension as a widow or widower. Find out now what those benefits will be.

As a widow or widower, you may have the right to part of your spouse’s pension. The money you are entitled to receive is called a survivor’s benefit.

Whether or not you are eligible to receive a survivor’s pension depends on each of these factors:

■ Where your spouse worked,
■ When your spouse retired,
■ When your spouse died, and
■ Whether you signed a written statement giving up or waiving your survivor’s benefits.

These questions should help clarify many of your rights as a surviving spouse:

Where did your spouse work?

If your spouse worked for a private employer and was a member of a pension plan there, the laws discussed here may apply to you. Employees who are not members of private pension plans include:

■ Federal, state, and local government employees, such as teachers or firefighters
■ Members of the military
■ Employees of churches and church-related agencies, such as religious schools or hospitals

When did your spouse die?

The federal pension law, the Employee Retirement Income Security Act (ERISA), requires private pension plans to provide benefits to surviving spouses. However, until the Retirement Equity Act (REA) was signed on August 23, 1984, employees could choose not to receive the joint and survivor annuity without notifying the spouse. If your spouse died before this date, the spouse may have chosen a benefit that would be paid only while he or she was alive, and there would be no survivor benefit. If your spouse was working and died on or after August 23, 1984 but before January 1, 1985, you may have a right to a special survivor benefit.

When did your spouse retire?

Before 1985: Generally, the REA’s survivor’s benefit waiver provisions do not apply to plan years starting before December 31, 1984. In 1985 or after: Generally, an employee could no longer give up or “waive” his or her spouse’s rights to survivor’s benefits unless the spouse agreed by signing a written form.

Did you give up your rights to a survivor’s benefit?

The law provides that an employee may give up or “waive” survivor’s benefits, but only if the spouse agrees to this in writing. The pension plan administrator must provide the employee with
a special form, called a “spousal consent,” that explains in clear language the effect of the waiver. The waiver form may be challenged if the survivor misunderstood the form because it was not clear, or if it was signed under pressure.

A spouse’s consent is not required if the employee has a court order that confirms the spouse cannot be located, the employee is legally separated or has been abandoned by the spouse or the spouse is legally incompetent and his or her guardian consents.

What if the couple is divorced at the time of the employee’s death?

A divorced spouse may receive survivor’s benefits as part of the divorce settlement. Once you are divorced, you will probably lose whatever survivor’s pension protection you may have had while married, unless your special court order, a Qualified Domestic Relations Order (QDRO), specifically provides for a survivor’s pension.

One way for the court order to provide a survivor’s pension is for the order to say that the former spouse is to be treated as a surviving spouse. This would mean that you would receive the same survivor’s pension that you would have received had you remained married – typically an amount equal to fifty percent of the benefits your husband or wife was receiving.

Frequently Asked Questions

What is a survivor’s benefit/widow’s pension?

The federal pension law, the Employee Retirement Income Security Act (ERISA), requires private pension plans to provide a pension to a worker’s surviving husband or wife if the employee earned a benefit. Since Congress passed the Retirement Equity Act in 1984, the husband or wife’s survivor pension can only be given up with his or her written permission.

Where did your spouse work?

ERISA, the private pension law, only applies to pension plans for employees of private employers. If your spouse worked for a state or local government, then you must find out what that state’s law requires. If your spouse worked for the federal government, then you must find out the special rules that apply to federal workers. If your spouse worked for a church employer, then you must find out the special rules that apply to church workers.

When did your spouse retire?

The rules on survivor pensions apply to an employee who is entitled to a pension benefit and was working under a private pension plan in 1985 or after. Generally, as long as your spouse was working after the law went into effect, he or she would need your signature to give up or “waive” survivor’s benefits without your permission. If your spouse retired or died before 1985, he could have waived your survivor’s benefits without your permission. What is “spousal consent”?

If you decide that you will give up your survivor’s benefit, you must sign a clearly written spousal consent form provided by the pension plan stating that you do not want the surviving spouse pension.
When will you receive your survivor’s benefit?
If your spouse dies after retirement, you should start receiving benefit payments immediately.

If your spouse dies before retirement, you have a choice. You can choose for the plan to start making payments on the date your spouse would have reached early retirement age and receive a smaller benefit. Or, you can choose to wait until the date your spouse would have reached the plan’s definition of normal retirement age in order to receive a full retirement benefit.

What happens in case of divorce?
If you are a divorced spouse, you may receive survivor rights if that is provided for as part of the division of pension benefits during the divorce proceedings.
Visit our website, www.wiserwomen.org for more information, or contact us at info@wiserwomen.org. You can also use our website to subscribe to our e-newsletter and to view our publications. To receive hard copies of our newsletter and publications, please email us. To get the most up-to-date WISER news, along with links to blogs, publications, and financial tools, connect with us on Facebook and Twitter and pin from our boards on Pinterest.