

Table 1.1

15-YEAR, \$50,000 HOME EQUITY LOAN		
FICO SCORE	APR	MONTHLY PAYMENT (\$)
740–850	8.150	482
720–739	8.450	491
700–719	8.950	506
670–699	9.725	529
640–669	11.225	575
620–639	12.475	615

APR = annual percentage rate; FICO score = Fair Isaac Corporation score, or your credit score.
Source: www.myFICO.com, November 24, 2008. Based on national averages.

Table 1.2

Priority	Original Balance	Total Interest Paid	Months Until Paid Off
Card 1 (29.9% APR)	\$5,000	\$1,799.15	26
Card 3 (27.9% APR)	\$700	\$421.52	28
Card 2 (24.9% APR)	\$1,500	\$861.94	32
Card 5 (11.9% APR)	\$400	\$94.65	33
Card 4 (7.9% APR)	\$600	\$89.20	33

APR = annual percentage rate.

Table 1.3

Priority	Original Balance	Total Interest Paid	Months Until Paid Off
Card 5 (11.9% APR)	\$400	\$7.43	3
Card 4 (7.9% APR)	\$600	\$18.54	7
Card 3 (27.9% APR)	\$700	\$137.72	10
Card 2 (24.9% APR)	\$1,500	\$422.24	17
Card 1 (29.9% APR)	\$5,000	\$3,347.19	35

APR = annual percentage rate.

Table 1.4

P2P SITE	ELIGIBILITY	LOAN TYPE	BORROWING LIMITS	FEES	LOAN TERMS
Prosper	520 FICO	All	\$1,000–\$25,000	Borrower pays a 2%–3% closing fee and late/failed payment fees. Lender pays 1% annual servicing fee.	Three years with fixed interest rate. Interest rate is negotiated between borrower and lender. No prepayment penalties.
Lending Club	640 FICO and debt-to-income ratio below 25%, excluding mortgage	All	\$1,000–25,000	Borrower pays a processing fee of 0.75%–3%. Lender pays 1% annual servicing fee.	Three years with fixed interest rate. Interest rates range from 7.37% to 19.36%. No prepayment penalties.
Loanio	A credit rating of E, as defined by the company, or a co-borrower	All	\$1,000–\$25,000	Borrower pays a one-time fee of 2%–3% (minimum \$95). Lender pays annual servicing fee of 1%.	Loans are available for 36, 48, or 60 months. Interest rates are negotiated between lenders and borrowers.
GreenNote	Open to everyone	Student	\$1,000–total cost of education	Borrower pays one-time fee of 2% (minimum \$49). Lender pays 1%.	Currently 6.8% fixed interest rate; six-month grace period after graduation; can defer payments for up to five years while in school; repay over 10 years; no prepayment penalties.

FICO score = Fair Isaac Corporation score, or your credit score; P2P = person-to-person (lending model).

Lender Contact Information

GreenNote
www.greennote.com
1-866-711-5620

Lending Club
www.lendingclub.com
1-866-754-4094

Loanio
www.loanio.com
1-800-624-8830

Prosper.com
www.prosper.com
1-866-615-6319

Chapter 1 Resources

Associations

The Association of Credit and Collection Professionals

www.acainternational.org

952-926-6547

This trade association for professional businesses and individuals in the credit and collection industry provides consumers with credit and collection resources, including educational materials, answers to frequently asked questions (FAQs) about debt collection, and explanations of your rights as a consumer.

The Association of Settlement Companies (TASC)

www.tascsite.org

1-888-657-8272

TASC promotes good business practices in the debt settlement industry to protect both consumers and debt settlement companies. Search for TASC-accredited debt settlement companies by name or state.

National Association of Consumer Bankruptcy Attorneys

www.nacba.org

The Web site for this association of consumer bankruptcy attorneys features consumer tips and links to bankruptcy news.

National Association of Consumer Advocates

www.naca.net

202-452-1989

A nationwide organization of attorneys who represent consumers who have been victimized by debt-collection abuse.

National Foundation for Credit Counseling

www.nfcc.org

301-589-5600

The national voice for credit counseling agencies, the foundation is composed of more than 100 member agencies and 900 local offices throughout the United States; search for a member agency, access free debt advice, and more.

The United States Organizations for Bankruptcy Alternatives (USOBA)

www.usoba.org

281-820-0666

USOBA represents the debt-negotiation industry by creating specific agendas for states and advocating fair regulation and protection for consumers. Access answers to FAQ for consumers about settling debts and subscribe to a free monthly newsletter with money-saving tips.

Books

Chapter 13 Bankruptcy: Keep Your Property and Repay Debts Over Time, by Stephen Elias and Robin Leonard (2008).

A well-written, plain-English look at chapter 13 from the folks at Nolo.com.

The Complete Guide to Prosper.com: How to Borrow and Lend Money Online, by Sean Bauer (2008).

A detailed guide on how to use Prosper.com, including tips and resources for the user.

How to Get Credit Counseling, by Quick Easy Guides (2008).

A simple guide with tips and trade secrets for seeking professional help with your credit card debt.

How You Can Profit from Credit Cards: Using Credit to Improve Your Financial Life and Bottom Line, by Curtis E. Arnold (2008).

Insight into how you can benefit from credit card usage and also tips to mitigate your debt and cut back on your cost of credit.

National Consumer Law Center Guide to Surviving Debt, by Deanne Loonin (2008).

A concise, specific guide to managing debt in different stages and situations, which takes current laws and regulations into account to provide consumers with the most up-to-date information on how to handle debt while legally protecting themselves.

Pay It Down! Debt Free on \$10 a Day, by Jean Chatzky (2009).

Strategies for finding \$10 a day and moving toward financial security.

Stop Debt Collectors, by Gerri Detweiler, Mary Reed, and John Ventura (2008).

A practical guide on how to deal with debt collectors and protect your rights in the process.

You're Nothing but a Number: Why Achieving Great Credit Scores Should be on Your List of Wealth Building Strategies, by John Ulzheimer (2007).

Learn how to build and keep a great credit score; book includes information on the inner workings of the credit card system and companies.

Government Agencies

Federal Trade Commission

www.ftc.gov

1-877-FTC-HELP (1-877-382-4357)

An independent government agency whose mission is to protect consumers and eliminate anticompetitive business practices. On their site you will find information about debt settlement, opportunities to attend workshops, facts about negotiating debt and debt collection (including the complete text of the Fair Debt Collection Practices Act), information on debt consolidation and alternative methods to shrink the size of your debt, several detailed guides with information on how to repay credit card debt, and information on your rights as a consumer regarding credit.

United States bankruptcy courts

www.uscourts.gov/bankruptcycourts.html

This section of the U.S. courts' Web site offers bankruptcy forms, as well as information about how to file and what chapter is best for your situation.

Web sites

American Bankruptcy Institute Consumer Bankruptcy Center

<http://consumer.abiworld.org>

703-739-0800

The American Bankruptcy Institute is the nation's largest multidisciplinary, nonpartisan organization dedicated to the researching of and educating others about bankruptcy.

AnnualCreditReport.com

www.annualcreditreport.com

Request a free copy of your credit report once a year from each of the nationwide consumer credit reporting companies.

BankRate.com
www.bankrate.com
561-630-2400

Get news and advice on credit cards, use a credit card repayment calculator, compare interest rates on mortgages and home equity loans nationwide, compare credit card rates, find the best cards for balance transfers, and more.

Credit.com
www.credit.com

Advice and tools for getting out of debt; articles specific to debt settlement; a comparison chart of debt-help products and services; tips on how to negotiate credit card debt; a credit score compass, which navigates you to an estimate of your credit score; advice on credit card balance transfers; and comparisons of cards by criteria such as interest rates and whether they allow balance transfers.

HSH Associates
www.hsh.com
1-800-873-2837

HSH has up-to-date information about interest rates on mortgages, refinances, and home equity loans, so you can find the best deals in your area.

National Consumer Law Center (NCLC)
www.consumerlaw.org
202-452-6252

A national consumer law expert, NCLC works to combat unfair business practices by collection agencies.

Nolo
www.nolo.com
1-800-728-3555

Nolo is a legal information site. It has answers to FAQs and articles about bankruptcy, estate planning, real estate, and other money matters. You can also use the site's attorney search feature to find a lawyer in your area.

Table 2.1

COMPENSATION MODEL	PERCENTAGE OF ADVISORS	AVERAGE FEES
Fee per hour	19	\$175
Percent of assets under management	72	0.7% – 1.5%
Fee per plan	27	\$361/modular plan, \$1,332/comprehensive plan

Table 2.2

Loan amount (\$)	Term (Months)	Interest Rate (%)	Monthly Payment (\$)	Total Interest Paid (\$)
40,000	48	6.85	955.07	5,843.29
	60	6.59	784.33	7,060.00
30,000	48	6.85	716.30	4,382.47
	60	6.59	588.25	5,295.00
20,000	48	6.85	477.53	2,921.65
	60	6.59	392.17	3,530.00
15,000	48	6.85	358.15	2,191.23
	60	6.59	294.12	2,647.50
10,000	48	6.85	238.77	1,460.82
	60	6.59	196.08	1,756.00

Based on average daily interest rates from Bankrate.com on November 14, 2008.

Table 2.3

SERVICE	STANDARD TIP
Skycap	\$1 per bag
Bellhop	\$2 for the first bag; \$1 for each additional bag
Hairdresser	15%, plus \$1 to \$2 for the shampoo person
Furniture or appliance delivery person	\$10 a person; more if the item is particularly heavy
Food delivery	15%–20%
Door attendant	\$25–\$100 as a holiday gift
Personal trainer	\$50 as a holiday gift
Newspaper delivery person	\$15 as a holiday gift
Movers	\$20–\$50 a person
Valet parking	\$1
Coatroom attendant	\$1 per coat
Dog groomer	15%
Dog walker	1 week's salary as a holiday gift or a few dollars for each walk

Source: <http://tipping.org/>.

Chapter 2 Resources

Associations

The American Bar Association

www.abanet.org

1-800-285-2221

Visit the ABA's Division for Public Education for information on buying, selling, or leasing a vehicle.

The Financial Planning Association

www.fpanet.org

1-800-322-4237

Access tips, tools, articles, and additional information about financial planning, as well as a tool for searching for a certified financial planner.

National Association of Certified Credit Counselors

www.naccc.us

321-725-3497

A nonprofit credentialing body that oversees the education and certification requirements of its members; includes links to helpful information on credit reports, scoring, and financial literacy.

National Association of Personal Financial Advisors (NAPFA)

www.napfa.org

847-483-5400

Search for a fee-only comprehensive financial planning professional.

National Child Support Enforcement Association (NCSEA)

www.ncsea.org

240-595-6600

A voice for the child-support community, NCSEA offers access to public policy, research, and legislative updates.

Books

Consumer Reports Used Car Buying Guide 2009

Consumer Report's 2009 reviews of used vehicles.

Consumer Reports New Car Buying Guide 2009

Consumer Report's 2009 reviews of new vehicles.

The Complete Divorce Handbook, by Brette McWhorter Sember (2009)

Retired divorce attorney Brette McWhorter Sember answers hundreds of divorce questions from all aspects in simple terms.

Don't Get Taken Every Time: The Ultimate Guide to Buying or Leasing a Car, in the Showroom or on the Internet, by Remar Sutton (2007)

A guide to buying or leasing a new or used car; includes step-by-step strategies and tips and tricks to protect yourself from dealer scams.

Easy Money: How to Simplify Your Finances and Get What You Want Out of Life, by Liz Pulliam Weston (2007)

A guide to help you take control of your finances and attain financial security; includes checklists, charts, and tables to help get you organized.

Follow the Fed to Investment Success: The Effortless Strategy to Beating Wall Street, by Douglas S. Rob-

erts (2008)

Roberts explains the idea that there is direct connection between stock market performance and the actions of the Federal Reserve Bank.

The Lies about Money: Why You Need to Own the Portfolio of the Future, by Ric Edelman (2008)

A simple and fun explanation of seemingly complex financial concepts; includes a guide to help you build an investment portfolio.

Sudden Money: Managing a Financial Windfall, by Susan Bradley and Mary Martin (2000)

Advice from Susan Bradley, founder of the Sudden Money Institute, on how to manage a sudden influx of money.

Who's Sitting on Your Nest Egg? by Robin Davis, CFP (2007)

A guide to finding a reliable, competent, financial advisor.

Essential Manners for Men: What to Do, When to Do It, and Why, by Peter Post (2003)

Etiquette tips for men on everything from weddings to PowerPoint presentations.

Isn't It Their Turn to Pick Up the Check? Dealing with All of the Trickiest Money Problems Between Family and Friends—from Serial Borrowers to Serious Cheapskates, by Jeanne Fleming and Leonard Schwarz (2008)

Advice on financial etiquette and fiscal ethics.

Government Organizations

The Federal Reserve

www.federalreserve.gov

Financial information bank accounts, credit, identity theft, leasing, mortgages, personal finance, and recent financial news.

Federal Trade Commission

www.ftc.gov

1-877-FTC-HELP (1-877-382-4357)

Information about credit counseling and debtor education.

MyMoney.gov

www.mymoney.gov

The U.S. government's Web site dedicated to educating Americans on financial basics; includes a section devoted to financial planning.

Office of Child Support Enforcement

www.acf.hhs.gov/programs/cse/

202-401-9373

Links to contact information and Web sites of individual states' child-support agencies, a glossary of child-support terms, a child-support enforcement handbook, child-support report newsletters, and more.

United States Department of Justice

www.usdoj.gov

202-514-4100

A list of approved credit counseling agencies, facts for consumers, FAQs about credit counseling.

Web sites

All Law Child Support Calculators

www.alllaw.com/calculators/childsupport/

Access a child-support calculator for your state to estimate how much child support will cost you.

American College of Trust and Estate Counsel

www.actec.org

310-398-1888

A national organization of approximately 2,600 lawyers; public resources with information pertaining to inheritances.

Bankrate.com

www.bankrate.com

561-630-2400

The Web's leader in financial rate information providing free rate information on more than 300 financial products, including money market accounts, checking and savings accounts, CDs, credit cards, and more. The auto section allows you to compare local auto loan rates, rates for new and used vehicles, and auto refinance rates; and several calculators, including a buy-versus-lease calculator.

Better Business Bureau

www.bbb.org/us/

703-276-0100

Search for BBB-accredited businesses, including counseling agencies and lease transfer companies.

Carfax.com

www.carfax.com

For a fee (one report costs \$29.99; multiple reports can be purchased at a discount), CARFAX will search its nationwide database to provide you with a detailed vehicle history report; there are also several free reports, including a Recall Check, Record Check, Lemon Check, and a Problem Car Check.

Certified Financial Planner Board of Standards

www.cfp.net

1-800-487-1497

Learn about financial planning and search for a certified financial planner.

Credit.com

www.credit.com

Information on how to find a quality credit counselor.

Edmunds.com

www.edmunds.com

Advice on all aspects of leasing, including information on how to get out of a lease.

Garrett Planning Network

www.garrettplanningnetwork.com

1-866-260-8400

An international network of independent financial advisors and planners who offer hourly, as-needed financial planning and advice.

Inheritance Project

www.inheritance-project.com

Explores both the emotional and social impact of inheriting money and offers networking opportunities and educational resources for heirs and their professional advisors.

Investopedia.com

www.investopedia.com

A wealth of investment information; includes a dictionary of financial terms, recent news, free investing tutorials, answers to FAQs, and financial calculators.

LeaseGuide.com

www.leaseguide.com

Everything you need to know about leasing, including information on getting out of your lease early, lease payment tables, a lease deal evaluator, a leasing worksheet, and a lease calculator.

Martindale-Hubbell Law Directory

www.martindale.com

1-800-526-4902, ext. 8001

Locate a lawyer in your area and search the profiles of more than one million legal professionals worldwide.

National Foundation for Credit Counseling

www.nfcc.org

1-800-388-2227

Find a foundation member agency near you for debt advice.

Nolo

www.nolo.com

1-800-728-3555

Visit Nolo's section on divorce and child custody for answers to FAQs about child support.

Sudden Money Institute

www.suddenmoney.com

1-888-838-9446

Find a well-established financial planner in this national network of advisors, including financial planners, wealth coaches, psychologists, attorneys, and philanthropy experts.

Virgin Money

www.virginmoney.com

1-800-805-2472

For a fee (fees start at \$99), Virgin Money will assist in lending money to or from a friend or family member.

Emily Post Institute

www.emilypost.com

Etiquette advice and answers to manners questions.

Original Tipping Page

www.tipping.org

Information on all aspects of tipping; features a tip calculator, advice, and a forum.

Chapter 3 Resources

Associations

Academy of Special Needs Planners
www.specialneedsplanners.com
1-866-296-5509

Information on financial planning for families with special-needs members; access to a network of attorneys who focus on special-needs planning.

American Bar Association (ABA)
www.abanet.org
1-800-285-2221

An introduction to wills from the ABA, information on and answers to estate-planning FAQs, and a glossary of estate-planning terms.

American College of Trust and Estate Counsel (ACTEC)
www.actec.org
310-398-1888

A nonprofit association of trust and estate counselors; find an ACTEC fellow, browse public resources, governmental resources, and trust and estate blogs.

Special Needs Alliance (SNA)
www.specialneedsalliance.com
1-877-572-8472

A national nonprofit organization; search the network of SNA attorneys across the United States and browse literature on financial planning for families with special-needs members.

Books

8 Ways to Avoid Probate, by Mary Randolph (2008)

Effective methods to help you skip the probate process; includes the latest estate and gift tax rules and updated 50-state tables on simplified probate.

60-Minute Estate Planner: Fast and Easy Plans for Saving Taxes, Avoiding Probate, and Maximizing Inheritance, by Sandy F. Kraemer (2006)

Contains estate-planning basics and includes helpful tools such as sample forms and worksheets to help you plan.

The AARP Crash Course in Estate Planning: The Essential Guide to Wills, Trusts and Your Personal Legacy, by Michael Palermo (2008)

Covers every aspect of planning an estate or a will.

Be Prepared: The Complete Financial, Legal, and Practical Guide to Living with Cancer, HIV, and other Life-Challenging Conditions, by David S. Landay (2000)

Medical, financial, and legal advice on how to face some of life's toughest issues.

Estate Planning Basics, by Denis Clifford (2007)

A basic overview of the estate-planning process.

Kiplinger's Estate Planning: The Complete Guide to Wills, Trusts, and Maximizing Your Legacy, by John Ventura (2008)

Detailed information on wills, trusts, and estates.

Special Needs Trusts: Protect Your Child's Financial Future, by Stephen Elias (2007)

A guide to how to leave money to a loved one who is disabled or has special needs without interfering with government benefits.

The Special Needs Planning Guide: How to Prepare for Every Stage in Your Child's Life, by John W. Nadworny and Cynthia R. Haddad (2007)

A book by financial planning experts with special-needs family members; includes advice on the financial, legal, governmental, and emotional aspects of financial planning for someone with special needs.

Wills, Probate, and Inheritance Tax for Dummies, by Julian Knight (2008)

How to plan and write your will, minimize the stress of probate, and more.

Government Resources

Centers for Medicare and Medicaid Services

www.cms.hhs.gov

1-800-633-4227

Detailed information on Medicaid and Medicare, including information on initiatives, coverage, and how to protect yourself from fraud.

Web sites

AARP

http://www.aarp.org/families/end_life/

1-888-687-2277

An estate-planning guide, explanations of commonly used terms in the estate-planning process.

Aging with Dignity

www.agingwithdignity.org

1-888-594-7437

Educational resources and access to the "Five Wishes" legal document that helps you to express how you would like to be treated if you are ill and unable to communicate your wants and needs.

FindLaw

www.findlaw.com

Visit the organization's Estate Planning Center to find an estate-planning lawyer, access legal forms, post an estate-planning question for lawyers to answer, browse a legal glossary, read estate-planning tips and more.

LegalZoom.com

www.legalzoom.com

1-800-773-0888

Guides on specific legal topics, answers to FAQs, a glossary of legal terms; create legal documents from home and have them sent to you directly.

MetDESK (of MetLife)

www.metlife.com/desk

1-877-638-3375

Free information for families with special-needs children; includes a special-needs calculator, a special-needs planning quiz, newsletters, and more.

Nolo.com

www.nolo.com

1-800-728-3555

Information on selecting a guardian for your children, wills, estates, and probates; search for an estate-planning lawyer.

Special Needs Planning

www.specialneedsplanning.com

Special-needs financial planners John Nadworny and Cynthia Haddad's site featuring information on special-needs planning, special-needs news and articles, answers to FAQ, a glossary of terms, and links to resources for specific types of disabilities.

Survivorship A-Z

www.survivorshipatoz.org

Practical, financial, and legal information for anyone facing a challenging medical situation.

Chapter 4 Resources

Equifax

Equifax Fraud Division
P.O. Box 105069
Atlanta, GA 30348
www.equifax.com
1-800-525-6285

To Place a Fraud Alert

By mail:

Equifax Information Services LLC
P.O. Box 105069
Atlanta, GA 30348-5069

Online:

www.fraudalerts.equifax.com

By phone:

1-800-525-6285

To Add a Security Freeze

By mail:

To submit your security freeze request via mail, submit the following personal ID information:

1. Name, including any suffix (e.g., *Jr.*, *Sr.*)
2. Address
3. Social Security number
4. Date of birth

The charges for a security freeze request on your Equifax credit file vary by state. Visit www.equifax.com and select the Customer Service tab to find a list of fees by state.

If submitting a request by mail, include payment by check, money order, or major credit card for the appropriate fees. For Visa, MasterCard, Discover, or American Express payment, include the following:

1. Name of the cardholder, as it appears on the card
2. Card number
3. Card expiration date

If you are an identity-theft victim and are requesting a security freeze, you must also include a copy of a police report, identity-theft report, or other government law-enforcement agency report, such as a Department of Motor Vehicles report.

Send your request information via certified mail to the address below.

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348

Online:

www.freeze.equifax.com

By phone:

1-800-685-1111

Experian (formerly TRW)

Experian Consumer Assistance, Security Alerts
P.O. Box 9532
Allen, TX 75013
www.experian.com
1-888-397-3742

To Place a Fraud Alert

By mail:
Experian Consumer Assistance, Security Alerts
P.O. Box 9532
Allen, TX 75013
Online:
www.experian.com
By phone:
1-888-397-3742

To Add a Security Freeze

By mail:
Placement information is available by calling 1-888-397-3742
Online:
www.experian.com
By phone:
1-888-397-3742

Trans Union

P.O. Box 6790
Fullerton, CA 92834
www.transunion.com
1-800-680-7289

To Place a Fraud Alert:

By mail:
P.O. Box 6790
Fullerton, CA 92634
Online:
www.transunion.com
By phone:
1-800-680-7289
By e-mail:
fvad@transunion.com

To Add a Security Freeze:

By mail:
Written requests to add a security freeze must include your name, address, and Social Security number along with the applicable fee, if any. You may pay by check, money order, or credit card. You must include proof of your current residence, such as a copy of a state-issued identification card or driver's license. Requests can be mailed to

TransUnion, Fraud Victim Assistance Department:1

1 Note: If you are a victim of identity theft and can provide TransUnion with a copy of a valid identity theft report, a Department of Motor Vehicles investigation report, or similar proof that you have been a victim of ID theft, you will not be charged a fee for the security freeze services. If you are a resident of North Dakota, you may fax your request with your identity theft document(s) to 714-525-0668.

P.O. Box 6790
Fullerton, CA 92834

If you prefer, you may make your request via overnight mail to
TransUnion, Fraud Victim Assistance Department
1561 E. Orangethorpe Ave.
Fullerton, CA 92831

Online:
www.transunion.com

By phone:
1-888-909-8872

Credit Bureau Mailing Addresses

Equifax
Options
P.O. Box 740123
Atlanta, GA 30374-0123

Experian
901 West Bond
Lincoln, NE 68521
Attn: Consumer Services Department

Innovis Consumer Assistance
P.O. Box 725
Columbus, OH 43216-0725

TransUnion
Name Removal Option
P.O. Box 505
Woodlyn, PA 19094
Associations

Anti-Phishing Working Group
www.antiphishing.org

An industry association whose aim is to eliminate identity theft and fraud via phishing, it features a forum for people to discuss phishing issues, a place to report phishing, current news, and guides to help consumers recognize phishing.

Books

Scam-Proof Your Life: 377 Smart Ways to Protect You & Your Family from Ripoffs, Bogus Deals & Other Consumer Headaches (AARP), by Sid Kirchheimer (2007)

Interviews with nearly 100 former scammers provide advice on how to protect yourself from various types of scams.

Stealing Your Life: The Ultimate Identity Theft Prevention Plan, by Frank W. Abagnale (2008)

Learn how to protect yourself from identity theft with advice from counterfeiting expert Frank Abagnale; includes case histories, a 20-step prevention plan, tips, and instructions on how to do such things as file a police report and contact the FTC.

The Wall Street Journal Complete Identity Theft Guidebook: How to Protect Yourself from the Most Pervasive Crime in America, by Terri Cullen (2007)

Detailed information on identity theft and how you can protect yourself; also includes sample letters, forms, and other tools to help victims of identity theft recover.

Government Resources

Federal Trade Commission

www.ftc.gov/idtheft

1-877-438-4338

The FTC's identity-theft site, with information for both businesses and consumers, a place to file a complaint with the FTC as well as a place to report identity theft, and resources such as data, reports, and laws pertaining to identity theft.

National Do Not Call Registry

www.donotcall.gov

1-888-382-1222

Register your phone number to decrease the amount of telemarketing calls you receive.

OnGuardOnline

www.onguardonline.gov

Tips from the U.S. federal government and technology industry to help protect you against Internet scams; explore information on various aspects of identity theft, learn from interactive quizzes, and watch videos about online safety.

United States Department of Justice

www.usdoj.gov

202-514-2000

Visit the fraud section of this site for information on identity theft, details on how you can protect yourself, answers to FAQs, and more.

United States Post Office

www.usps.com

1-800-275-8777

Get your questions regarding mail delivery answered via the Web or phone.

Web Sites

Carnegie Mellon's The PhishGuru

www.phishguru.org

An e-mail-based antiphishing training system that teaches you how to distinguish legitimate e-mails from phishing scams.

Consumer Fraud Reporting

www.consumerfraudreporting.org

A free online service with thousands of actual examples of scam letters, e-mails, faxes, and tran-

scripts of phone conversations to help you recognize scams.

OptOutPrescreen.com

www.optoutprescreen.com

1-888-567-8688

A joint venture among the consumer credit reporting companies that allows you to opt out of receiving offers for credit or insurance.

Direct Marketing Association (DMA) Mail Preference Service

www.dmachoice.org

212-768-7277, ext. 1500

For \$1 you can opt out of unsolicited mail from companies that use the DMA's Mail Preference Service; you can also register for eMPS, which allows you to remove your e-mail address from national lists.

Fraud.org

www.fraud.org

The National Consumers League's Fraud Center site with information on various types of fraud and scams, links for stopping unwanted sales and marketing calls, and an online complaint form for reporting suspicious activity.

Identity Theft Resource Center

www.idtheftcenter.org

858-693-7935

A nonprofit organization dedicated to educating consumers and victims on identity theft; features tips, guides, answers to FAQs, a reference library, and more.

Privacy Rights Clearinghouse

www.privacyrights.org

619-298-3396

A nonprofit consumer organization whose aim is teaching people how to protect their personal privacy; offers identity-theft fact sheets, identity-theft quizzes, and more.

Table 5.1

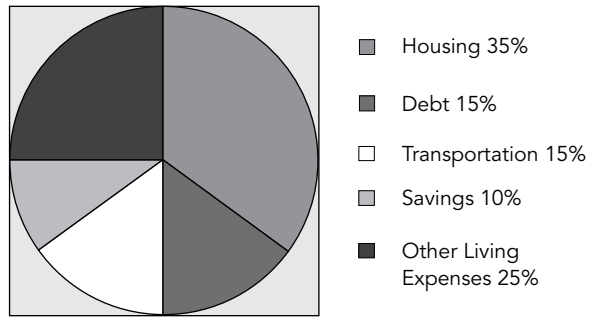


Table 5.2

MOST CONTAMINATED	LEAST CONTAMINATED
Peaches	Onions
Apples	Avocado
Sweet bell peppers	Sweet corn (frozen)
Celery	Pineapples
Nectarines	Mangos
Strawberries	Asparagus
Cherries	Sweet peas (frozen)
Pears	Kiwi
Grapes (imported)	Bananas
Spinach	Cabbage
Lettuce	Broccoli
Potatoes	Papaya

Table 5.3

SAMPLE SEMESTER BUDGET	
EXPENSE TYPE	AMOUNT
<i>INCOME</i>	
Parent contribution	\$500
Work	\$2,000
Financial aid/scholarships after tuition	\$500
Total	\$3,000
<i>FIXED EXPENSES</i>	
Rent, if applicable	\$0
Car insurance/payment	\$1,350/semester
Cell phone	\$180/semester
Total	\$1,530
Amount remaining	\$1,470
<i>FLEXIBLE EXPENSES</i>	
Groceries, in excess of meal plan	\$250
Eating out	\$250
Gas	\$300
Entertainment	\$400
Clothing, miscellaneous	\$150
Total	\$1,250
<i>WIGGLE ROOM/SAVINGS</i>	\$120

Table 5.4

SAMPLE MONTHLY BUDGET	
EXPENSE TYPE	AMOUNT
<i>INCOME</i>	\$666/month (4½ months per semester)
<i>FIXED EXPENSES</i>	
Rent, if applicable	\$0
Car insurance/payment	\$300
Cell phone	\$40
Total	\$340
Amount remaining	\$326
<i>FLEXIBLE EXPENSES</i>	
Groceries, in excess of meal plan	\$50
Eating out	\$50
Gas	\$65
Entertainment	\$90
Clothing, miscellaneous	\$35
Total	\$290
<i>WIGGLE ROOM/SAVINGS</i>	\$36

Table 5.5

SAMPLE WEEKLY BUDGET	
EXPENSE TYPE	AMOUNT
<i>INCOME</i>	\$167
<i>FIXED EXPENSES</i>	
Rent, if applicable	\$0
Car insurance/payment	\$75
Cell phone	\$10
Total	\$85
Amount remaining	\$82
<i>FLEXIBLE EXPENSES</i>	
Groceries, in excess of meal plan	\$15
Eating out	\$15
Gas	\$20
Entertainment	\$20
Clothing, miscellaneous	\$10
Total	\$80

Worksheet 5.6

Income

Add up the amount your student expects to receive this semester from each source, then divide the total by the number of months in the semester:

Scholarships, grants, or loans	\$ _____
Part-time job or work-study earnings	\$ _____
Parental contributions	\$ _____
Additional money (from savings, etc.)	\$ _____
Total per semester	\$ _____
Total per month	\$ _____

Fixed Expenses

Add up the fixed expenses your student will be responsible for on a monthly basis:

Car insurance	\$ _____
Car payment	\$ _____
Rent and utilities	\$ _____
Cell phone	\$ _____
Other	\$ _____
Total per month	\$ _____

Subtract monthly fixed expenses, \$ _____, from monthly income, \$ _____, to get the amount that is left for variable expenses: \$ _____.

Variable Expenses

Divide the amount from above into the following categories. You may have to make a few hard decisions to stretch the dollars. Does your student need a \$100 allowance for groceries if he or she has an unlimited meal plan? Keep in mind that this area is flexible.

Laundry	\$ _____
Groceries	\$ _____
Entertainment (includes dining out)	\$ _____
Gas and car maintenance	\$ _____
Other living expenses (clothing, room decorations, etc.)	\$ _____
Total per month	\$ _____

Table 5.7

Typical Wattage of Popular Household Appliances	
Appliance	Wattage
Coffee maker	900–1,200
Clothes dryer	1,800–5,000
Dishwasher	1,200–2,000
Ceiling fan	65–175
Hair dryer	1,200–1,875
Microwave	750–1,100
Laptop computer	50
Flat screen television	120
Toaster oven	1225
DVD player	20–25
Vacuum cleaner	1,000–1,440
Water heater	4,500–5,500
Stereo	70–400
Clothes iron	1,000–1,800

Source: U.S. Department of Energy.

Chapter 5 Resources

Associations

American Association for Marriage and Family Therapy

www.aamft.org

703-838-9808

Locate a therapist near you, plus find answers to FAQs on marriage and family therapy.

Books

To Buy or Not to Buy: Why We Overshop and How to Stop, by April Benson (2008)

Helps shoppers to identify their problem and provides approaches for recovery; includes patient stories, strategies, exercises, and advice on financial planning.

The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, Responsible Children, by Eileen Gallo and Jon Gallo (2005)

Tips on how parents can raise financially responsible children.

Good Deals & Smart Steals: How to Save Money on Everything, by the editors of *Good Housekeeping* (2008)

Cut back on spending with money-saving tips from *Good Housekeeping*.

Greatest Secrets of the Coupon Mom, by Stephenie Nelson (2005)

Stephanie Nelson, the Coupon Mom, teaches you how to put her grocery-shopping secrets into practice.

Overcoming Overspending: A Winning Plan for Spenders and Their Partners, by Olivia Mellan (2004)

A self-help book for couples where one or both partners suffer from an addiction to spending.

Reader's Digest Amazing Insider Secrets: 1,703 Money-Saving Tips, by Jeff Bredenberg (2008)

Tips on how to save money on food, health care, travel, and much more.

Shop Smart, Save More, by Teri Gault with Sheryl Berk (2008)

Teri Gault, founder of the Grocery Game, teaches readers how to save at the supermarket; offers organizing, cooking, and storing tips; and even gives advice on how to get the whole family to help in the process.

Web sites

Addicted.com

www.addicted.com

1-877-233-4283

Addiction-recovery resources and tools for addicts, family members, and friends; includes self-tests and a tool to search for help near you.

Coupons.com

www.coupons.com

Print and clip more than 100 grocery coupons per week.

CouponMom.com

www.couponmom.com

Gives you free access to printable coupons, finds grocery deals by state, lets you sign up for alerts and access Coupon Mom's free e-books, which include tips on how to save at the supermarket.

Debtors Anonymous

www.debtorsanonymous.org

1-800-421-2383

Information, resources, and help for compulsive debtors.

Jump\$tart Coalition for Personal Financial Literacy

www.jumpstartcoalition.org

1-888-453-3822

A national coalition of organizations committed to improving the financial education of youth from kindergarteners through college students; their site features free educational resources.

Grocery Game

www.thegrocerygame.com

Sign up for the Grocery Game and get a weekly list of the lowest-priced items at your local supermarket that, when matched with manufacturers' coupons and weekly specials, are available to you at a discount, sometimes even for free.

Mint.com

www.mint.com

A free online money-management program; see where your money is going, check on how your investments are doing, and set up a budget. You can also set up your account to alert you via e-mail or SMS text when there has been a change to your finances.

Shopaholics Anonymous

www.shopaholicsanonymous.org

248-358-8508

Information on compulsive shopping, its causes, and behaviors, along with a compulsive-shopping checklist.

Shortcuts

www.shortcuts.com

Register for Shortcuts and get coupons automatically sent to your supermarket's store loyalty card.

Smart Source

www.smartsource.com

Printable coupons, online deals, local grocery deals, and access to grocery circulars.

Stopping Overshopping

www.stoppingovershopping.com

Dr. April Benson's Web site with information for overshoppers; includes explanations about overshopping and why people overshop, information about treatment, and a resource center for overshoppers and their families.

Young Americans Center for Financial Education

www.yacenter.org

Home to the Young Americans Bank, the Young Americans Center for Financial Education oversees many nonprofit programs geared toward teaching young people ages 21 and younger about financial issues. On their site, you will find financial tips, links to their nonprofit programs, and more.

Table 6.1

FICO Score	APR	Monthly Payment (\$)
760-850	5.675	1,736
700-759	5.897	1,779
660-699	6.181	1,834
620-659	6.991	1,994
580-619	9.024	2,419
500-579	10.310	2,702

APR = annual percentage rate; FICO score = Fair Isaac Corporation score, or your credit score.

Source: myFICO.com, November 24, 2008. Based on national averages.

Table 6.2

FICO Score	APR	Monthly Payment (\$)
760–850	6.686	615
690–719	8.229	629
660–689	9.451	640
620–659	12.087	665
590–619	15.270	696
500–589	16.285	706

APR = annual percentage rate; FICO score = Fair Isaac Corporation score, or your credit score.

Source: www.myFICO.com, November 24, 2008. Based on national averages.

Table 6.3

FICO Score	APR	Monthly Payment (\$)
740–850	8.150	482
720–739	8.450	491
700–719	8.950	506
670–699	9.725	529
640–669	11.225	575
620–639	12.475	615

APR = annual percentage rate; FICO score = Fair Isaac Corporation score, or your credit score.

Source: www.myFICO.com, November 24, 2008. Based on national averages.

Table 6.4

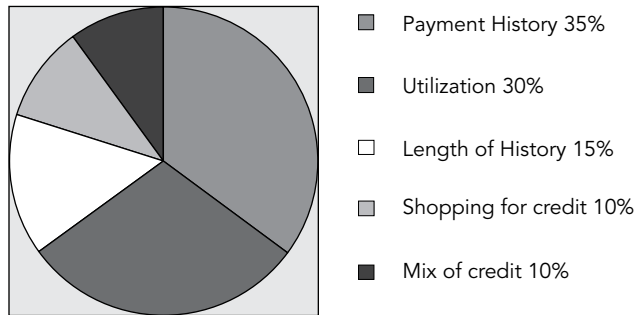


Table 6.5

SCORE	RANKING
776-997	Good
626-775	Average
501-625	Below average
Less than 500	Less desirable

Chapter 6 Resources

Books

The Complete Idiot's Guide to Improving Your Credit Score, by Lita Epstein (2007)

Includes information on key ways to use credit and how to avoid credit scams; debunks common credit myths.

Credit Repair Kit for Dummies, 2nd edition, by Steve Bucci (2008)

Step-by-step advice and tools to help get your credit back on track.

How You Can Profit from Credit Cards: Using Credit to Improve Your Financial Life and Bottom Line, by Curtis E. Arnold (2008)

Information on how you can use credit cards to actually improve your financial standing.

Pay It Down! From Debt to Wealth on \$10 a Day, by Jean Chatzky (2009)

Completely updated and revised in 2009. Learn how to pay down your debt with as little as \$10 a day.

Credit Bureaus

CLUE Inc. Consumer Disclosure Center

Attn: FACT Act Request

P.O. Box 105295

Atlanta, GA 30348

1-866-312-8076

Experian

www.experian.com

901 West Bond

Lincoln, NE 68521

TransUnion

www.transunion.com

2 Baldwin Place

P.O. Box 2000

Chester, PA 19022

Equifax

www.equifax.com

P.O. Box 740256

Atlanta, GA 30374-0241

Government Resources

Federal Reserve Board

<http://www.federalreserve.gov/Pubs/shop/#aprs>

Information from the Federal Reserve Board on how to understand credit cards and how to compare credit cards; your rights while using a credit card.

Federal Trade Commission

www.ftc.gov

1-877-382-4357

The FTC offers information on loans, facts on cosigning, credit card information, information on debt as well as information on credit card balance transfers.

Web sites

Annualcreditreport.com

www.annualcreditreport.com

Request a free annual credit report.

BankRate.com

www.bankrate.com

561-630-2400

Information on credit cards, several different credit calculators, comparisons of credit cards, tips on balance transfers, and credit card news.

Credit.com

www.credit.com

415-646-0000

Comparisons of credit card interest rates, information and tips on credit cards, a free credit score estimator, answers to FAQs, tips and tools for getting out of debt as well as information on balance transfers.

myFICO

www.myfico.com

1-800-319-4433

A division of Fair Isaac Corporation, at myFICO you can obtain your credit score; and their site features credit basics, calculators, credit Q&A, current news and more.

TransUnion

www.transunion.com

To obtain a free annual credit report: 1-877-322-8228. To dispute an item on your credit report: 1-800-916-8800.

Worksheet 7.1

IS REFINANCING WORTH IT TO ME?

Use this worksheet to figure out whether refinancing is worth your time—and money.

A. Your current monthly mortgage payment: \$_____

B. The new monthly mortgage payment, should you decide to refinance:
\$_____

C. A \$_____ — B \$_____ = \$_____

D. Closing costs associated with your new loan: \$_____

E. D \$_____ ÷ C \$_____ = \$_____

Worksheet 7.2

Costs	Lender 1	Lender 2	Lender 3
Monthly payment			
APR			
Interest rate			
Application fee			
Underwriting fee			
Lender fee			
Appraisal fee			
Document preparation fee			
Broker fees			
Miscellaneous fees			
Repayment term			
Total closing costs			
Late/missed payment fee			
Penalty for early repayment?			

APR = annual percentage rate.
Source: Federal Reserve Board.

Worksheet 7.3

Use this worksheet to compare HELOCs:

Costs	Lender 1	Lender 2	Lender 3
Variable APR			
How often adjusted			
Can you convert to fixed-rate loan?			
Application fee			
Appraisal fee			
Account maintenance fees			
Check-writing fees			
Nonusage fees			
Late/missed payment fee			
Penalty for early repayment?			

APR = annual percentage rate.

Table 7.4

Costs	One Adult	One Adult, One Child	Two Adults	Two Adults, One Child	Two Adults, Two Children
Living wage (hourly)	\$13.39	\$22.60	\$18.45	\$27.66	\$34.65
Food (monthly)	\$237	\$386	\$458	\$607	\$756
Child care (monthly)	\$0	\$624	\$0	\$624	\$1,104
Medical (monthly)	\$94	\$186	\$188	\$280	\$372
Housing (monthly)	\$1,306	\$1,519	\$1,306	\$1,519	\$1,519
Transportation (monthly)	\$278	\$479	\$556	\$757	\$958
Other (monthly)	\$200	\$393	\$400	\$593	\$786
Annual taxes	\$2,473	\$3,959	\$3,470	\$4,971	\$6,118
Monthly after-tax income required	\$2,115	\$3,587	\$2,908	\$4,380	\$5,495
Annual before-tax income required	\$27,853	\$47,003	\$38,266	\$57,531	\$72,064

Table 7.5

Costs	One Adult	One Adult, One Child	Two Adults	Two Adults, One Child	Two Adults, Two Children
Living wage (hourly)	\$18.73	\$16.24	\$13.17	\$20.72	\$26.96
Food (monthly)	\$232	\$378	\$448	\$594	\$740
Child care (monthly)	\$0	\$572	\$0	\$572	\$1,012
Medical (monthly)	\$76	\$151	\$152	\$227	\$302
Housing (monthly)	\$667	\$740	\$667	\$740	\$740
Transportation (monthly)	\$232	\$397	\$464	\$629	\$794
Other (monthly)	\$188	\$369	\$376	\$557	\$738
Annual taxes	\$1,424	\$2,504	\$2,115	\$3,264	\$4,165
Monthly after-tax income required	\$1,295	\$2,607	\$2,107	\$3,319	\$4,326
Annual before-tax income required	\$18,164	\$33,788	\$27,299	\$43,092	\$56,083

Chapter 7 Resources

Associations

National Association of Realtors

www.realtor.org

1-800-874-6500

Resources for both home buyers and sellers; includes current news, guides, and tools tips.

National Reverse Mortgage Lenders Association

www.nrmla.org

202-939-1760

An educational resource on reverse mortgages.

Books

Mortgages 101: Quick Answers to Over 250 Critical Questions About Your Home Loan, by David Reed (2008)

Answers to home loan questions; includes information on both simple and complex topics, definitions of the various loan types, and credit score explanations.

Mortgages for Dummies, 3rd edition, by Eric Tyson and Ray Brown (2008)

A comprehensive guide for anyone who might be entering into a mortgage; includes information on evaluating your creditworthiness, finding a lender, and refinancing.

Government Organizations

Internal Revenue Service

www.irs.gov

1-800-829-1040

Learn how to correctly make mortgage deductions; find answers to FAQs relating to real estate and mortgages.

Federal Trade Commission

www.ftc.gov

1-877-FTC-HELP (1-877-382-4357)

Federal Reserve Board

www.federalreserve.gov

U.S. Department of Housing and Urban Development (HUD)

www.hud.gov

202-708-1112

HUD aims to increase home ownership, support community development, and increase access to affordable housing free from discrimination; visit its site to find an approved counseling agency to assist with your reverse mortgage as well as home-ownership information for consumers.

Tools

Living Wage Calculator

<http://www.livingwage.geog.psu.edu/>

Developed by Dr. Amy K. Glasmeier, the Living Wage Calculator will tell you the average hourly wage for popular fields, as well as the cost of typical expenses in popular communities and how much you'll need to make on a monthly basis to support them.

Web sites

AARP

www.aarp.org

1-888-687-2277

Information about mortgages and retirement; includes a mortgage payoff calculator, recent mortgage news, and information on reverse mortgages.

Bankrate.com

www.bankrate.com

561-630-2400

Compare mortgage rates, use any of several mortgage calculators, read mortgage news, find a mortgage refinance rate, and more.

FSBO.com

www.fsbo.com

1-800-690-5802

The global For Sale By Owner real estate site. Buy, sell, or rent properties online; to list a property, packages start at \$69.95.

HSH Associates Financial Publishers

www.hsh.com

1-800-873-2837

The nation's largest publisher of mortgage and consumer loan information; on the organization's site, you can search for a mortgage, find a loan, and access mortgage statistics, rates, information, articles, and calculators.

SchoolMatch

www.schoolmatch.com

904-230-3001

Find information on schools before relocating; access a list of and information on schools in a particular district; buy a report card for the school district (for about \$34) that will give you information on attendance rates, test data, school improvement plans, and public perceptions.

Table 8.1

PROGRAM	COST	TERMS	NUMBER OF PARTICIPATING RETAILERS
Upromise: www.upromise.com	None	Register your credit or debit cards and get 1% to 25% back when you shop online through www.upromise.com; 8% back from restaurants; 1% to 3% back at the grocery store or drugstore on eligible items. You can invite your friends and family to join and contribute their rewards to you.	600 online retailers through www.upromise.com; 8,000 participating restaurants; more than 21,000 participating grocery stores
LittleGrad: www.littlegrad.com	None	You register and download a Little Grad Savings Manager that tracks your online purchases. Participating retailers give back a percentage that varies, usually 2% to 10%. You can ask friends and family to register and contribute to your account as well.	2,000 online services and stores.
BabyMint: www.babymint.com	None	Contributions range from 1% to 26% of total purchases. You can have your rebates sent to you by check, deposited into your college savings account, or applied as a payment on a student loan.	500 leading merchants, in areas such as travel, apparel, restaurants, electronics, home, pharmacies, and grocery stores.
Futuretrust: www.futuretrust.com	No annual fee, but because it's a credit card, you'll be charged interest if you don't pay off your balance each month. Interest rates vary depending on your credit history.	You must apply and be approved for the Futuretrust MasterCard. Once you are, you'll earn 1% of your purchases as a rebate into a 529 college savings account. Partner merchants offer an additional rebate, up to about 10%.	There are more than 500 partner merchants who offer additional rebates.

Chapter 8 Resources

Associations

College Savings Plan Network

www.collegesavings.org

A national nonprofit association dedicated to making college more affordable for families; access information about 529 plans, compare plans from many U.S. locales, and estimate costs with a college cost calculator.

Books

Best 368 Colleges, 2009 edition, by Princeton Review (2008)

A report on the top 20 schools in 62 categories based on ratings from students.

The Best Way to Save for College: A Complete Guide to 529 Plans, by Joe Hurley (2008)

Detailed information on 529 plans, includes a state-by-state comparison of all 529 programs.

The College Board Guide to Getting Financial Aid 2008, by the College Board (2007)

A step-by-step guide explaining how to get financial aid; includes explanations of key financial aid terms and assistance with filling out the FAFSA (Free Application for Federal Student Aid).

The College Board Scholarship Handbook 2008, by the College Board

Information for undergraduates on more than 2,100 scholarship, internship, and loan programs, also includes a planning worksheet to keep track of applications.

FastWeb College Gold: The Step-by-Step Guide to Paying for College, by Mark Kantrowitz and Doug Hardy (2006)

Learn how to develop a plan to pay for college, apply for loans, find scholarships and grants, and steer clear of financing scams.

Fiske Guide to the Colleges, by Edward B. Fiske (2008)

A guide to more than 300 colleges in which each college's listing is accompanied by an essay with information from students, administrators, and independent research; also includes a list of the 40-plus schools that deliver the best value for the cost.

Paying for College Without Going Broke, by Kal Chany (2008)

Advice on how to pay for college; includes the most recent financial aid forms, lists annual changes in tax laws, shows how to calculate your aid eligibility, and gives advice on how to negotiate with financial aid offices and information for those in special circumstances (single parents, independent students, etc.).

Government Organizations

FAFSA4caster

www.fafsa4caster.ed.gov

1-800-433-3243

Helps you estimate your eligibility for federal aid and provides advice on the financial aid process.

Federal Direct Consolidation Loan Program

www.loanconsolidation.ed.gov

Information from the government on how to consolidate your student loans.

Federal Student Aid

www.studentaid.ed.gov

1-800-433-3243

U.S. Department of Education's site for free information, with resources for preparing for and paying for college; features tools such as a college savings calculator.

Free Application for Federal Student Aid (FAFSA)

www.fafsa.ed.gov

1-800-433-3243

Detailed information on the Free Application for Federal Student Aid; provides instructions on how to complete the form and allows you to fill out the FAFSA form online.

Federal Trade Commission

202-326-2222

Information for parents and students on how to avoid scholarship scams.

United States Department of Education

www.ed.gov

1-800-872-5327

Information about loan-forgiveness programs and on federal student aid.

U.S. Securities and Exchange Commission

<http://www.sec.gov/investor/pubs/intro529.htm>

1-888-732-6585

An introduction to 529 plans, with answers to FAQs.

Alternative Lenders

GreenNote

www.greennote.com

1-866-711-5620

Students can connect with those in their social network to ask for small student loans, and for a fee (2% of the total loan amount), GreenNote will formalize the transaction.

Web sites

College Board

www.collegeboard.com

1-866-630-9305

Information for parents on how to help pay for college; articles, information, and tips on how to find scholarships and aid; college savings calculators; and information on the pros and cons of college savings plans.

College Savings Plan Network

www.collegesavings.org

A national nonprofit association dedicated to making college more affordable for families; access information about 529 plans, compare plans from around the United States, and estimate costs with a college cost calculator.

FastWeb

www.fastweb.com

Information on millions of scholarships.

FinAid

www.finaid.org

Detailed information on student aid, including information on consolidation, answers to FAQs, a

scholarship search, a loan consolidation calculator, the Expected Family Contribution calculator, a calculator of prepaid tuition and of 529 college savings plans, and tips on saving for college.

Princeton Review

www.princetonreview.com

A wealth of information on undergraduate and graduate schools; includes free college test prep tools, a best-fit college search, information on choosing a major, rankings and lists, a scholarship search, a guide to financial aid, information on study abroad, and information on applying for college.

Savingforcollege.com

www.savingforcollege.com

Information on how to best prepare for college costs; includes information, tools, calculators, and a detailed guide to understanding 529 plans, including resources for comparing 529 plans and reviewing your state's plan.

SimpleTuition

www.simpletuition.com

Search for a student loan that meets your needs; the site includes recent industry news, a student loan glossary, and tips for planning, saving, and paying for college.

Student Loan Borrower Assistance

www.studentloanborrowerassistance.org

617-482-0850

The National Consumer Law Center's Student Loan Borrower Assistance project offers information for people who already have student loans and want to know more about their rights and options.

USA Today's "Best Value Colleges for 2009"

<http://www.usatoday.com/news/education/best-value-colleges.htm>

USA Today and Princeton Review joined forces to bring forth a list of the 100 best value colleges for 2009; includes information on each school, statistics, and why it's a great value.

Table 9.1

City	Plan	Monthly Premium	Co-insurance	Deductible	Office Visits
Los Angeles	Individual	\$123	40%	\$900	\$40
	HSA	\$121	0%	\$5,000	0% after deductible
Dallas	Individual	\$159	25%	\$1,000	25% after deductible
	HSA	\$88	0%	\$5,000	0% after deductible
Chicago	Individual	\$212	20%	\$1,000	\$30
	HSA	\$97.37	0%	\$5,000	0% after deductible
Miami	Individual	\$237.09	20%	\$1,000	\$15
	HSA	\$146.84	0%	\$5,000	0% after deductible

HSA = health savings account.

Rates as of May 1, 2009, from eHealthInsurance.com, for a 40-year-old man.

Worksheet 9.2

THE MATH

Prefer pen and paper over online tools? Here's a worksheet that will help you ballpark your life insurance needs:

- A. Total your spouse's (or family's) annual living expenses, including your rent or mortgage payments, utilities, groceries, insurance, clothing, entertainment, car payment and maintenance (including gas), and child care:
\$ _____
- B. Total your spouse's salary and any other income, including estimated Social Security payments:
\$ _____
- C. Subtract B from A to get the amount of living expenses you'll need to replace.
\$ _____
- D. Divide amount in C by 0.04 (a standard estimate) to estimate the amount of death benefit you'll need:
\$ _____
- E. Estimate total expenses related to your death, including funeral costs, hospital stays, estate taxes:
\$ _____
- F. Add an emergency fund of three to six months' worth of living expenses:
\$ _____
- G. If you plan to cover college tuition for your children, calculate the amount that it will cost for each child to attend school for four years, being careful to account for tuition increases. You can base this amount on averages from the College Board, which lists pricing trends at www.nces.ed.gov/ipeds/cool/. Current averages: in-state public college, \$18,326/year; private college: \$37,390/year.
\$ _____
- H. Add any other outstanding debts not included in A.
\$ _____
- I. Add lines E, F, G, and H to get your total expenses.
\$ _____
- J. Add lines D and I. This figure represents your preliminary insurance needs.
\$ _____
- K. Calculate the value of other assets or insurance policies you own, including life insurance through your employer, pensions, savings, 401(k) and IRA plan, and any liquid savings accounts.
\$ _____
- L. Subtract the amount in K from the amount in J to get an estimate of your total life insurance needs:
\$ _____

Source: USAA Educational Foundation, <http://www.usaaedfoundation.org/>.

Table 9.3

\$250,000 TERM LIFE POLICY AVERAGE ANNUAL PREMIUMS							
	10 YEARS	20 YEARS	30 YEARS		10 YEARS	20 YEARS	30 YEARS
Female, age 30	\$108	\$148	\$203	Male, age 30	\$108	\$148	\$228
Female age 40	\$130	\$198	\$308	Male, age 40	\$130	\$198	\$335
Female, age 50	\$250	\$370	\$585	Male, age 50	\$250	\$503	\$768
\$500,000 TERM LIFE POLICY AVERAGE ANNUAL PREMIUMS							
	10 YEARS	20 YEARS	30 YEARS		10 YEARS	20 YEARS	30 YEARS
Female, age 30	\$155	\$235	\$325	Male, age 30	\$155	\$235	\$385
Female, age 40	\$200	\$305	\$495	Male, age 40	\$200	\$335	\$610
Female, age 50	\$435	\$680	\$1,120	Male, age 50	\$440	\$945	\$1,475
\$1 MILLION TERM LIFE POLICY AVERAGE ANNUAL PREMIUMS							
	10 YEARS	20 YEARS	30 YEARS		10 YEARS	20 YEARS	30 YEARS
Female, age 30	\$230	\$370	\$550	Male, age 30	\$230	\$400	\$670
Female, age 40	\$320	\$520	\$820	Male, age 40	\$330	\$600	\$1,150
Female, age 50	\$755	\$1,285	\$2,100	Male, age 50	\$810	\$1,800	\$2,830

Source: Insure.com, October 2008.

Table 9.4

AVERAGE ANNUAL PREMIUMS— LONG-TERM CARE INSURANCE	
AGE	ANNUAL PREMIUM (\$)
55-64	1,877
65-69	2,003
70-74	2,341
75 or older	2,604
All ages	1,973

Source: U.S. Department of Health and Human Services.

Chapter 9 Resources

Associations

National Association of Health Underwriters (NAHU)
www.nahu.org
703-276-0220

NAHU represents more than 20,000 licensed health insurance agents, brokers, consultants, and benefit professionals; on this site you can search for a NAHU member in your community, browse a glossary of terms, and access guides and a database with information on different types of health insurance.

National Association of Insurance Commissioners
www.naic.org
1-866-470-6242

Detailed insurance information for people in all stages of life who are considering buying insurance; includes guides, tips, and more.

Books

101 Health Insurance Tips, by Michelle Katz (2007)

Tips from health insurance expert Michelle Katz on how to find the best health-care plan for your budget.

The Insurance Maze: How You Can Save Money on Insurance—and Still Get the Coverage You Need, by Kimberly Lankford (2006)

Insurance explained in simple terms; learn how to avoid insurance pitfalls and make the most of your insurance policy.

Questions and Answers on Life Insurance: The Life Insurance Toolbook, by Anthony Steuer (2007)

Answers to life insurance questions covering topics such as how to differentiate between policies, evaluating policies and companies, hiring an agent, and monitoring your policy.

Government Organizations

Internal Revenue Service
www.irs.gov
1-800-829-1040

Detailed information on HASs and other tax-favored health plans.

Insure Kids Now
www.insurekidsnow.gov
1-877-543-7669

A national campaign to provide uninsured children (from birth to age 18) with free or low-cost health insurance; through Insure Kids Now, you can be put in direct contact with your state's children's health insurance program and get answers to FAQs about insurance for minors.

U.S. Department of the Treasury
www.ustreas.gov

For HSA questions involving individuals, call the IRS toll-free assistance line at 1-800-829-1040; for HSA questions involving businesses, call 1-800-829-4933.

Information about HSAs; includes a fact sheet, answers to FAQs, information on IRA-to-HSA transfers and the full contribution rule, and current news.

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

www.dol.gov/ebsa/

1-866-444-3272

Information on various types of insurance, fact sheets, answers to FAQs, and current benefit news.

Web sites

AARP

www.aarp.org

1-888-687-2277

Information, resources, and research on insurance for long-term care.

Consumer Federation of America

www.consumerfed.org

202-387-6121

Information on variable universal life insurance.

eHealthInsurance.com

www.ehealthinsurance.com

1-800-977-8860

Get quotes on individual, family, and small-business health insurance plans; compare plans; and apply for coverage online.

Edmunds.com

www.edmunds.com

Compare auto insurance rates; read auto insurance articles, insurance forums, and answers to auto insurance questions.

Insurance.com

www.insurance.com

1-866-533-0227

Research insurance products, get comparison rates from top car insurance companies and tips on when to buy insurance, learn how to save money when buying insurance, read insurance news, get insurance quotes, find answers to FAQs, and use a life-insurance calculator.

Insure.com

www.insure.com

1-800-556-9393

Consumer insurance information, insurance articles, answers to FAQs, an insurance glossary, and interactive tools; obtain insurance quotes and purchase insurance from the company of your choice.

Insurance Information Institute

www.iii.org

212-346-5500

Use a glossary of insurance terms, search for an insurance company in your state, read information on insurance and financial planning priorities at different life stages, and read answers to FAQs about insurance.

Kiplinger

<http://kiplinger.com/money/insurancecenter/>

Insurance information, interactive tools, advice on how to save money by lowering insurance costs, quizzes, videos, and a directory of state insurance regulators.

Moody's

www.moodys.com

Check the financial ratings of any home insurance company.

National Patient Advocate Foundation

www.npaf.org

202-347-8009

A national nonprofit organization that provides patients with a voice in health care through regulatory and legislative reform; read recent news, learn about research, and use tools to help you become an advocate for quality health care.

Patient Advocate Foundation

www.patientadvocate.org

1-800-532-5274

A national nonprofit foundation that acts as a mediator for patients, helping them obtain financial stability when dealing with a life-threatening or debilitating disease; find disease-specific information and support, information on insurance, and recent news.

Standard & Poor's

www.standardandpoors.com

Check the financial ratings of any home insurance company.

Table 10.1

TOTAL CONTRIBUTED BY AGE . . .	JANE	BOB
25	\$1,200	\$0
30	\$6,000	\$0
35	\$12,000	\$0
40	\$18,000	\$4,200
45	\$24,000	\$21,000
50	\$30,000	\$42,000
55	\$36,000	\$63,000
60	\$42,000	\$84,000
65	\$48,000	\$105,000
Total contribution	\$48,000	\$105,000
Total value of retirement account	\$351,428	\$335,079

Total earnings are based on an 8% return on investment.

Table 10.2

	Shawn	Mary
Net income	\$100,000	\$100,000
Deductions	\$33,650	\$33,650
Solo 401(k) contributions	\$35,087	\$0
Taxable income	\$21,263	\$66,350
Tax due	\$3,854	\$9,118
Self-employment tax due	\$15,300	\$15,300
Total tax	\$19,154	\$24,418
Tax savings	\$5,263	\$0

Source: T. Rowe Price.

Worksheet 10.3

BALLPARK ESTIMATE WORKSHEET

1. How much annual income will you want in retirement?
 (Tip: You'll need at least 70% of your current gross income to maintain your standard of living. If you want to travel or you need to cover your medical insurance, aim for 90%. If you need to cover all of your health-care costs, want a lifestyle that is more than comfortable, and need to save for long-term care, aim for 100% to 130%.)
2. Subtract the income you expect to receive annually from:
 Social Security benefits \$ _____
 (Tip: If you make less than \$25,000, enter \$8,000; \$25,000 to 40,000, enter \$12,000; and more than \$40,000, enter \$14,500. Note for married couples: The lower earner should enter the higher of either the lower-earner's own income or 50% of the spouse's benefit.)
 Traditional employer pension: \$ _____
 Part-time income: \$ _____
 Other: \$ _____
 =\$ _____
 This is how much you need to make up for each year in retirement.
3. To find out how much you actually need in the bank when you retire, multiply the amount above by the factor below:

Age You Expect to Retire	Choose Your Factor on the Basis of Life Expectancy (at Age 65)					
	Male, 50th Percentile (Age 82)	Female, 50th Percentile (Age 86)	Male, 75th Percentile (Age 89)	Female, 75th Percentile (Age 92)	Male, 90th Percentile (Age 94)	Female, 90th Percentile (Age 97)
55	18.79	20.53	21.71	22.79	23.46	24.40
60	16.31	18.32	19.68	20.93	21.71	22.79
65	13.45	15.77	17.35	18.79	19.68	20.93
70	10.15	12.83	14.65	16.31	17.35	18.79

Note: This assumes a real rate of return of 3% after inflation and that you'll begin to take Social Security benefits at age 65.

- \$ _____
4. If you expect to retire before age 65, multiply your Social Security benefits from part 2 by the factor below:
 At 55, your factor is 8.8
 At 60, your factor is 5.7
 +\$ _____
 5. Multiply your savings to date by the factor below (including the money you've stashed in a 401(k), IRA, or other retirement plan):
 If you plan to retire in
 10 years, your factor is 1.3
 15 years, 1.6
 20 years, 1.8
 30 years, 2.4
 35 years, 2.8
 40 years, 3.3
 -\$ _____
 Total additional savings needed at retirement: \$ _____
-

Table 10.4

BIRTH YEAR	BENEFIT AT AGE 62		BENEFIT AT AGE 66 OR 67		BENEFIT AT AGE 70	
	TODAY	ADJUSTED FOR INFLATION	TODAY	ADJUSTED FOR INFLATION	TODAY	ADJUSTED FOR INFLATION
1946	\$993	\$993	\$1,368	\$1,576	\$1,905	\$2,494
1956	\$1,126	\$1,582	\$1,587	\$2,503	\$2,121	\$3,795
1966	\$1,171	\$2,382	\$1,712	\$4,030	\$2,151	\$5,570

Benefits are based on a \$50,000 annual salary at retirement.

Table 10.5

RETIREE'S BIRTH YEAR	FULL RETIREMENT AGE	SPOUSE'S MONTHLY BENEFIT	PERCENTAGE OF REDUCTION
1946	66 years	\$350	29.17%
1956	66 years 4 months	\$341	31.67%
1966	67 years	\$325	35.00%

Table 10.6

AVERAGE LIFE EXPECTANCY AT BIRTH— U.S. CENSUS BUREAU			
YEAR	TOTAL	MALE	FEMALE
1970	70.8	67.1	74.7
1975	72.6	68.8	76.6
1980	73.7	70.0	77.4
1985	74.7	71.1	78.2
1990	75.4	71.8	78.8
1995	75.8	72.5	78.9
2000	77.0	74.3	79.7
2005	77.8	75.2	80.4
2010*	78.3	75.7	80.8
2015*	78.9	76.4	81.4
2020*	79.5	77.1	81.9

*Projections.

Associations and Organizations

Pension Rights Center
www.pensionrights.org
202-296-3776

The nation's only consumer organization dedicated exclusively to protecting and promoting American retirement security. The Web site features fact sheets on pension and retirement, links to reports related to pensions and retirement, information on the organization's public policy initiatives, and more.

Books

Buying a Second Home: Income, Getaway or Retirement, 2nd edition, by Craig Venezia (2009)
Tips and information on purchasing a second residence.

Kiplinger's Retire Worry-Free: Money-Smart Ways to Build the Nest Egg You'll Need, by the editors of *Kiplinger's Personal Finance* magazine (2008)
Tips and tools to teach you how to prepare financially for your retirement.

Nextville: Amazing Places to Live the Rest of Your Life, by Barbara Corcoran with Warren Berger (2008)
Information on the best places to retire, how to make smart real estate choices when relocating and how to find out what's most important to you when looking for the next place you'll live.

Retire in a Weekend, by Bill Losey (2007)

Losey answers the 10 most popular retirement questions in simple terms and also addresses the 5 main concerns individuals have about retirement.

The Savage Number: How Much Do You Need to Retire? by Terry Savage (2007)

Advice to help you determine the amount you need to retire; includes tips on how to control your finances, find reliable financial advice, protect your retirement fund, and set up an estate plan.

The Smartest 401(k) Book You'll Ever Read: Maximize Your Retirement Savings—The Smart Way! by Daniel R. Solin (2008)

Solin presents readers with comprehensive information on the most common deferred compensation plans, annuities, and other retirement investments while showing those in those plans how to create the best portfolio. Includes new rules for investing and retirement and information on how to determine your needs, gain control of your finances, avoid scams, and get income out of tax-deferred plans.

Social Security, Medicare & Government Pensions: Get the Most out of Your Retirement & Medical Pensions, by Joseph L. Matthews and Dorothy Matthews Berman (2008)

A guide to finding retirement benefits and figuring out the best time to claim them.

Spend 'Til the End: The Revolutionary Guide to Raising Your Living Standard—Today and When You Retire, by Larry Kotlikoff and Scott Burns (2008)

Draws on economic thought to abolish conventional retirement strategies and suggest that you might be saving *too much* for retirement, that you shouldn't take Social Security benefits until you turn 70, and more.

The Truth About Buying Annuities, by Steve Weisman (2008)

A guide to annuities with information and explanations of all types and advice on the impact they have on things such as Medicare, Medicaid, other retirement plans and long-term care.

Your Complete Retirement Planning Road Map: A Comprehensive Action Plan for Securing IRAs, 401(k)s, and Other Retirement Plans for Yourself and Your Family, by Ed Slott (2007)

Facts, checklists, and questionnaires to help you plan for your retirement.

Government Resources

Internal Revenue Service (IRS)

www.irs.gov

1-800-829-1040

Detailed information on taxes; calculate your life expectancy factor.

Social Security Administration (SSA)

www.ssa.gov

1-800-772-1213

Apply for Medicare, compare health plans, search for free counseling through your State Health Insurance Counseling and Assistance Program, and access the Social Security Retirement Planner, which includes tools to find your retirement age, a retirement estimator, a benefit calculator, information about Social Security programs, retirement options, retirement benefits, and more.

Retirement information from USA.gov

www.usa.gov/Topics/Seniors/Retirement.shtml

1-800-333-4636

General information on retirement, setting aside money, benefits, pensions, IRAs, and more.

U.S. Department of Labor (DOL)

www.dol.gov

1-866-444-3272

The DOL's online publication "Taking the Mystery Out of Retirement Planning," at <http://www.dol.gov/ebsa/publications/nearretirement.html>, features information specifically designed to help individuals who are approximately a decade away from retiring.

Web sites

401k.com

www.401k.com

Fidelity's 401(k) site featuring information on 401(k)'s and several relevant calculators.

401khelpcenter.com

www.401khelpcenter.com

Detailed information on all aspects of 401(k)s.

AARP

www.aarp.org

1-888-687-2277

Recent retirement news, a retirement nest egg calculator, Social Security benefits estimator, a retirement income calculator, information on Medicare, and more.

A.M. Best Company

www.ambest.com

A worldwide information and insurance rating agency (the Web site has articles on retirement, but you have to purchase access to them).

Bloomberg.com

<http://www.bloomberg.com/invest/calculators/retire.html>

Use the company's retirement planner calculator to estimate what it will take to attain a secure retirement.

Choose to Save Ballpark E\$timate

<http://www.choosetosave.org/ballpark/index.cfm?fa=interactive>

Choose to Save, a national public education and outreach program, offers the Ballpark E\$timate worksheet to help you identify approximately how much you will need to retire.

CNNMoney.com

http://cgi.money.cnn.com/tools/retirementneed/retirementneed_plain.html

Visit CNNMoney.com to estimate how much you'll need to retire.

ESPlanner.com

www.esplanner.com

A different approach to financial planning that seeks out the highest standard of living you can maintain through time; for a fee, you can obtain the ESPlanner (the Economic Security Planner) financial planning software.

Insurance Information Institute

www.iii.org

212-346-5500

Facts, statistics, and answers to FAQs on annuities.

IRA Help

www.ira-help.com

1-800-663-1340

Informational retirement downloads and a free discussion forum where you can post your retirement questions.

Life calculator

<http://gosset.wharton.upenn.edu/mortality/>

Enter your health information to calculate an estimate of how long you will live.

Moody's

www.moody's.com

212-553-0300

Moody's is a publisher of financial strength ratings on insurance companies.

The Motley Fool

www.fool.com/retirement

Tips to prepare for retirement, advice on where to invest your money, information on how to estimate how long your savings will last, and more.

My Retirement Success

www.myretirementsuccess.com

1-866-786-2521

Many free resources, including a retirement newsletter, article archives, and more than 20 calculators to help you plan for retirement and other financial events.

RolloverSystems

www.rolloversystems.com

1-888-600-7655

An independent provider of rollover services, RolloverSystems will roll over your 401(k), 403(b), pension, or other employer-sponsored plan to an IRA for free. The company's Web site also features

free retirement education and planning tools, including a glossary of retirement terms and answers to FAQs.

T. Rowe Price

www.troweprice.com

1-800-225-5132

You'll find retirement guides, investment tips, and financial tools at this Web site. Use T. Rowe Price's free retirement income calculator to figure out how much you may have to spend each month while in retirement, to determine whether your savings will last throughout retirement, and identify actions you can take to avoid coming up short. The calculator can be found at <http://www3.troweprice.com/ric/ric/public/ric.do>.

Worksheet 11.1

THE MATH

How much do you need in emergency funds? Probably not as much as you might think. Use this worksheet to find your goal:

Rent or mortgage:	\$ _____
Car payment:	\$ _____
Cost of bare-bones transportation (for job hunting, say, but not commuting):	\$ _____
Food (not eating out):	\$ _____
Health insurance (COBRA payment):	\$ _____
Other insurance (home, auto, life):	\$ _____
Utilities:	\$ _____
Children's necessities:	\$ _____
Total:	\$ _____
 ×3 for two-income families:	 \$ _____
 ×6 for one-income families	 \$ _____

Table 11.2

INTEREST RATES: CREDIT UNION VERSUS BANK		
PRODUCT	CREDIT UNION NATIONAL AVERAGE (%)	BANK NATIONAL AVERAGE (%)
Regular Savings	0.5	0.35
Money market	1.04	0.65
1-year CD	1.97	1.6

Source: Datatrac National Rate Index, April 28, 2009.

Chapter 11 Resources

Books

The Difference: How Anyone Can Prosper in Even the Toughest Times, by Jean Chatzky (2009)

Based on a study of more than 5,000 people, *The Difference* uncovers the habits of people who have moved from the lowest economic stratum to the highest and teaches you how you can implement these same habits in your own life to achieve financial freedom.

Easy Money: How to Simplify Your Finances and Get What You Want Out of Life, by Liz Pulliam Weston (2007)

A guide to help you take control of your finances, attain financial security, and combat overspending; includes checklists, charts, and tables to help get you organized.

Investing in an Uncertain Economy for Dummies, by Sheryl Garrett (2008)

Investment strategies to help you meet your financial goals; learn how to accumulate wealth, consolidate and protect gains, and make the best investment allocations.

Raising Money-Smart Kids: What They Need to Know About Money and How to Tell Them (Kiplinger's Personal Finance), by Janet Bodnar (2005)

Bodnar explains what's important to tell your children about money and how you should go about telling them.

Government Organizations

Federal Deposit Insurance Corporation (FDIC)

www.fdic.gov/about/learn/learning/index.html

1-877-275-3342

Detailed information for parents, educators, and children about the FDIC, banking, and finances.

The Federal Reserve

www.federalreserve.gov/kids/default.htm

The Federal Reserve's kids' page provides FAQs about the Federal Reserve as well as a quiz to test children's knowledge.

Internal Revenue Service

www.irs.gov

1-800-829-1040

Taxpayer information, tips, and tools, including a tax withholding calculator (the withholding calculator, which can be found at www.irs.gov/individuals/article/0,,id=96196,00.html).

Kids.gov

www.kids.gov

Educational money resources for kids, divided by grade level; includes games and guides.

U.S. Securities and Exchange Commission

www.sec.gov

1-888-732-6585

Investor information, current news, and information on laws and regulations.

Web sites

Bankrate.com

www.bankrate.com

561-630-2400

The Web's leader in financial rate information provides free rate information on more than 300 financial products, including money market accounts, checking and savings accounts, certificates of deposit, and credit cards. The Web site offers a variety of financial calculators.

BetterInvesting

www.betterinvesting.org

1-877-275-6242

The nation's largest nonprofit organization dedicated to investment education. For a fee (\$6.95 a month, \$79.00 a year) you can become a member and receive unlimited access to BetterInvesting's online stock and mutual fund analysis tools, a subscription *BetterInvesting Magazine*, access to member-only Web site content, and more. You can also apply to start your own investment club (clubs must pay \$40 annually in dues, and each member must pay either \$25 or \$79 annually, depending on the level of service the member would like to receive).

Financial Industry Regulatory Authority

www.finra.org

301-590-6500

The largest nongovernmental regulator for all securities firms doing business in the United States; the organization's Web site features investor news, tips on investing, and market data.

iMoneyNet

www.imoney.net

508-616-6600

Money market fund information and analysis.

Investopedia.com

www.investopedia.com

Free investing tips and tools, including answers to FAQs, investing strategies, financial calculators, articles, and a dictionary of financial terms.

Morningstar

www.morningstar.com

1-866-486-9750

For free, you can access investment research, stock and fund information, data and tools, and company investing and financial news. For a fee, you can sign up for a premium membership, which allows you to access additional resources.

Securities Investor Protection Corporation

www.sipc.org

202-371-8300

A nonprofit membership corporation whose aim is to restore funds to investors with assets in the hands of bankrupt and otherwise financially troubled brokerage firms.

Worksheet 12.1

THE MATH

Use this worksheet to budget your commission so that it lasts all year:

Monthly Income

- A. Enter the total amount that you can reasonably expect to earn this year in commission: \$ _____.
- B. Enter any additional income: \$ _____.
- C. Add A \$ _____ and B \$ _____.
- D. Divide the total of C by 12 months \$ _____.

Monthly Expenses

- E. Add up fixed expenses, including insurance, utilities, cell phone charges, car payments, mortgage or rent, and other debt repayment: \$ _____.
- F. Enter the total of your variable expenses, which is based on the tracking that you did for one month. This amount includes items such as entertainment, dining out, coffee, and any other expenditures: \$ _____.
- G. Enter contributions to savings: \$ _____.
- H. If you noticed anything you'd like to cut out or scale back in either E or F, enter the total amount those changes will save you each month here \$ _____.
- I. Add E \$ _____, F \$ _____, and G \$ _____, and then subtract H \$ _____.

Now compare the number in item D (your monthly income) to the number in item I (your monthly expenses). If I's number is greater, you need to go back through your expenses and make some more cuts. If it's less, that's great. Make sure that you have a cushion of about \$100 or so, then shift the remaining money to paying down high-interest-rate debt, if you have any, or savings.

Worksheet 12.2

THE MATH

Use this worksheet to calculate whether one partner can afford to stop working.

- A: Enter your monthly take-home pay: \$ _____
Your spouse's monthly take-home pay: \$ _____
Your monthly take-home pay combined: \$ _____
- B: Enter your anticipated monthly expenses post-baby (overestimate, if possible):
Mortgage or rent: \$ _____
Car payments and insurance: \$ _____
Utilities and cell phone bills: \$ _____
Other insurance (life, home owner's, disability): \$ _____
Groceries: \$ _____
Miscellaneous (entertainment, dining out, gym membership): \$ _____
Debt repayment: \$ _____
Child-related expenses, not including child care: \$ _____
Savings, not including retirement contributions automatically deducted from your paycheck: \$ _____
Total: \$ _____
- C: Enter the amount you expect to pay for child care each month if both spouses were to work: \$ _____
- D: Enter the amount the spouse who would stay home pays in commuting and other work-related costs each month (wardrobe, your daily latte): \$ _____
- E: Subtract the total in B and C from your combined monthly take-home pay in A: \$ _____
- F: Subtract the total in B from the monthly take-home pay of the partner who will continue to work: \$ _____
- G: Add the total in D and F: \$ _____

Now look at which figure is greater: D or G? Remember, you want a little bit of cushion here, so if it looks like you're cutting it close, go back and see if you can cut some of your variable expenses in B. If there isn't any wiggle room, staying home, at least full-time, might not work. Perhaps there's a part-time work option.

Chapter 12 Resources

Books

The Stay-at-Home Survival Guide: Field-Tested Strategies for Staying Smart, Sane, and Connected While Caring for Your Kids, by Melissa Stanton (2008)

Tips on how to manage everything from your emotions to your finances while being a stay-at-home mom.

Surviving a Layoff: A Week-by-Week Guide to Getting Your Life Back Together, by Lita Epstein (2009)

A week-to-week timeline for getting your life back on track after a job loss; includes information on how to cope with the emotional aspect of a job loss, how to conduct a job search, how to explain your situation to family and friends, how to reorganize your schedule, and how to handle finances.

Who Gets Promoted, Who Doesn't and Why: 10 Things You'd Better Do if You Want to Get Ahead, by Donald Asher (2007)

A guide to career advancement; includes tips on how to make an impression on your employer, strategies to advance your career, advice on how to avoid career mistakes, and interviews with human resources managers showing how corporations make hiring and promotion decisions.

Will Work from Home: Earn the Cash Without the Commute, by Tory Johnson and Robyn Freedman Spizman (2008)

A guide to making working from home work for you; includes a step-by-step plan, helpful tips, and advice on how to avoid scams.

Government Organizations

Career Voyages

www.careervoyages.gov

1-877-872-5627

A Web site dedicated to informing visitors about occupations that are experiencing growth and have an increasing number of job openings; also provides information on how you can train or become further educated to obtain one of these positions.

GovBenefits

www.govbenefits.gov

1-800-333-4636

Determine eligibility and access additional information on unemployment insurance.

United States Bureau of Labor Statistics

www.bls.gov

202-691-5200

Employment and economy information, statistics, research, and tools for people at all stages of their career; also features the *Occupational Outlook Handbook*, with detailed information on hundreds of different jobs.

BabyCenter.com's Cost of Raising Your Child Calculator

www.babycenter.com/cost-of-raising-child-calculator

Estimate how much it will cost to raise a child.

United States Department of Labor

www.dol.gov

1-866-487-2365

Employment resources and information, including answers to FAQs, statistics, and more.

USAJOBS

www.usajobs.gov

The official job site of the U.S. government; search jobs, tips on how to create a standout résumé, interview tips, and more.

Job Search Web Sites

Career Builder

www.careerbuilder.com

1-866-438-1485

Monster.com

www.monster.com

1-800-666-7837

Simply Hired

www.simplyhired.com

HotJobs.com

www.hotjobs.yahoo.com

Web Sites

Mom Corps

www.momcorps.com

1-888-438-8122

Search for a job (includes work-from-home jobs and part-time jobs) with a flexible schedule.

O*NET Online

www.online.onetcenter.org

Developed for the U.S. Department of Labor by the National Center for O*NET Development, O*NET Online offers helpful career tools including the Skills Search (<http://online.onetcenter.org/skills/>) and the Interest Profiler (<http://www.onetcenter.org/IP.html>).

PayScale

www.payscale.com

1-888-219-0327

Get a free customized salary report to assess what you're worth to your employer or potential employer.

Salary.com

www.salary.com

Career tips, tools and articles, the Salary Wizard to help you estimate your value to current and future employers, a benefits calculator, job search wizard, the Performance Self-Test, and more.

Women for Hire

www.womenforhire.com

212-290-2600

Access job postings, career advice, tips, tools, and more.

Table 13.1

FAIR MARKET VALUE RANGE OF COMMON DONATIONS		
ITEM	LOW (\$)	HIGH (\$)
Radio	7.50	50
Children's bicycle	15	65
Women's coat	10	40
Women's shoes	2	25
Men's raincoat	5	20
Men's suit	15	60
Sofa	25	200
Desk	25	140
Bedsread	3	24

Source: The Salvation Army.

Table 13.2

TAX RATE (%)	DONATION (\$)	ACTUAL COST AFTER DEDUCTION (\$)
15	100	85
	500	425
	1,000	850
25	100	75
	500	375
	1,000	750
28	100	72
	500	360
	1,000	720
33	100	67
	500	335
	1,000	670
35	100	65
	500	325
	1,000	650

Chapter 13 Resources

Books

The Better Business Bureau's Wise Giving Guide

A quarterly magazine published by the BBB Wise Giving Alliance; includes summary of the latest results of the Alliance's national charity evaluations. To obtain your free copy, send a postcard or note with your name and address to

BBB Wise Giving Guide
4200 Wilson Blvd, suite 800
Arlington, VA 22203

Home Business Tax Deductions: Keep What You Earn, by Stephen Fishman (2008)

Basic information on how different business structures are taxed and how deductions work, including information on various expenses.

J.K. Lasser's 1001 Deductions and Tax Breaks 2009: Your Complete Guide to Everything Deductible, by Barbara Weltman (2008)

A straightforward guide to tax deductions and breaks; explains tax benefits along with their eligibility requirements; includes tips and new tax law alerts.

The Retirement Savings Time Bomb . . . and How to Defuse It: A Five-Step Action Plan for Protecting Your IRAs, 401(k)s, and Other Retirement Plans from Near Annihilation by the Taxman, by Ed Slott (2007)

IRA expert Ed Slott shares his tips for protecting your retirement savings.

Government Resources

Internal Revenue Service

www.irs.gov
1-800-829-1040

Information on how to file taxes, online tools to assist in the process, an online small-business tax calculator, information on what donations are deductible, and information on how to deduct donations from your taxes.

Internal Revenue Service Taxpayer Advocate Service

<http://www.irs.gov/advocate/>
1-877-777-4778

The Taxpayer Advocate Service can help answer your questions, take you through the steps of working out a payment plan, or help you file an offer in compromise.

Web sites

American Institute of Certified Public Accountants Tax Center

<http://tax.aicpa.org/>

Tax tips, recent news, and information on legislation and tax practice tools.

Better Business Bureau

www.bbb.org/us/
703-276-0100

Check out a business or charity, inquire about or file a complaint about a charity, read answers to FAQs, and find tips and additional resources for donors.

Charity Navigator

www.charitynavigator.org

201-818-1288

Evaluations of more than 5,300 of America's largest charities, tips and resources on giving to charity, articles, and a glossary of terms related to giving.

Goodwill

www.goodwill.org

1-800-741-0186

Information on tax-deductible donations and a valuation guide for donated items.

GuideStar

www.guidestar.org

757-229-4631

With a basic GuideStar membership, you can access information to determine a nonprofit's legitimacy, learn if your donation will be deductible, view a nonprofit's recent Form 990, and more.

Nolo.com

www.nolo.com

Answers to FAQs about small-business taxes and articles on how to pay taxes for a small business.

Salvation Army

www.salvationarmyusa.org

1-800-SAL-ARMY

Donation information, including a valuation guide for donated items.

TurboTax

www.turbotax.com

Access TurboTax's ItsDeductible online program, which helps you track your donations for free.

Worksheet 14.1

SAMPLE WEDDING BUDGET

Use this worksheet to allocate your budget. Remember, all of these items are not requirements.

Total Budget	\$ _____
<i>Reception 50%</i>	
Venue/rentals	\$ _____
Food	\$ _____
Bar	\$ _____
Cake	\$ _____
Taxes and tips	\$ _____
<i>Décor 10%</i>	
Flowers for ceremony	\$ _____
Bride's bouquet	\$ _____
Bridesmaids' bouquets	\$ _____
Boutonnieres/corsages	\$ _____
Reception decorations	\$ _____
Lighting	\$ _____
Taxes and tips	\$ _____
<i>Attire 10%</i>	
Gown, veil/hat/headpiece, alterations	\$ _____
Tux	\$ _____
Bride's accessories	\$ _____
Groom's accessories	\$ _____
Hair and makeup	\$ _____
Taxes and tips	\$ _____
<i>Photography 10%</i>	
Photographer	\$ _____
Videographer	\$ _____
Prints and albums	\$ _____
Taxes and tips	\$ _____
<i>Ceremony 2%</i>	
Site fee	\$ _____
Officiant	\$ _____
Miscellaneous	\$ _____
<i>Music 10%</i>	
Ceremony music	\$ _____
Cocktail-hour music	\$ _____
Reception music	\$ _____
Equipment rental	\$ _____
Taxes and tips	\$ _____
<i>Favors/Gifts 3%</i>	
Welcome bags	\$ _____
Bridal party gifts	\$ _____
<i>Stationery 2%</i>	
Save-the-dates	\$ _____
Invitations	\$ _____
Programs	\$ _____
Place cards	\$ _____
Menu cards	\$ _____
Thank-you cards	\$ _____
Postage	\$ _____
<i>Rings 2%</i>	
His	\$ _____
Hers	\$ _____
<i>Transportation 1%</i>	
Limo	\$ _____
Shuttle for guests	\$ _____

Chapter 14 Resources

Associations

International Academy of Collaborative Professionals
www.collaborativepractice.com
602-953-7881

Information on how to resolve a divorce without going to court, through the use of collaborative practice; search for a collaboration professional or a collaboration practice in your area.

American Bar Association
www.abanet.org
312-988-5000

The Web site has a special section covering family law; offers answers to FAQs, assistance in finding a lawyer, and charts that summarize the basic laws in each state by topic, including grounds for divorce, custody, and alimony.

Association for Conflict Resolution
http://www.acrnet.org/
202-464-9700

A professional organization whose mission is to enhance the practice and public understanding of conflict resolution; search the Web site for a family mediator and browse resources on conflict resolution.

Books

The Complete Divorce Handbook, by Brette McWhorter Sember (2009)

Answers to hundreds of divorce-related questions in layperson's terms.

How to Debt-Proof Your Marriage, by Mary Hunt (2008)

Information for couples on how to successfully manage their finances and avoid debt.

Government Resources

Office of Child Support Enforcement (of the Administration for Children and Families, under the U.S. Department of Health and Human Services)
www.acf.hhs.gov/programs/cse/
202-401-9373

Information on child support, including handbooks and assistance in establishing support orders and collecting support payments.

Web Sites

Brides.com
www.brides.com

Wedding budget and planning guides; create a free, customized wedding budget with the site's budget advisor.

divorce360.com
www.divorce360.com

Resources, advice, and a community for those in all stages of divorce; includes guidance on legal issues, spousal support, and the emotions that surround divorce.

The Knot
www.theknot.com

Create your own personalized wedding budgeter and access articles and content about money-saving tips, wedding budget advice, and more.

Nolo.com

www.nolo.com

1-800-728-3555

Features a section on family law, with a lawyer directory, checklists, a glossary of legal terms, and recent articles on family law and divorce.

Worksheet 15.1

BUDGETING WORKSHEET FOR NEW PARENTS

A. Child Care

Amount you expect to pay for regular child care: \$_____/month

Amount you expect to pay for an occasional babysitter: \$_____/month

Total: \$_____ × 12 = \$_____/year

B. Supplies:

Amount you expect to pay for diapers: \$_____/month

Tip: Ask friends for estimates that are based on their experience, as costs vary. Note that cloth diapers are considerably cheaper than disposable, particularly if you wash them yourself. You can save almost 75% that way.

Amount you expect to pay for wipes: \$_____/month

Amount you expect to pay for clothing: \$_____/month

Tip: Budget about \$50 a month for this, and be on the lookout for hand-me-downs from friends. Babies grow fast!

Amount you expect to spend for formula: \$_____/month

Tip: This isn't a news flash, but breastfeeding is cheaper!

Amount you expect to spend on baby food: \$_____/month

Amount you expect to spend on medicine: \$_____/month

Tip: Shoot high here—at least \$20 a month. We all hope our baby is healthy, but plan for the worst just in case.

Amount you expect to spend on bath essentials: \$_____/month

Amount you'd like to budget for extras (toys, etc.): \$_____/month

Total: \$_____ × 12 = \$_____/year

C. Other Costs:

These are things that you'll generally have to buy only once.

Stroller \$_____

Car seat \$_____

Baby backpack or carrier \$_____

Diaper bag \$_____

Bouncy seat \$_____

Crib \$_____

Blankets and sheets \$_____

Bassinet \$_____

Nursery monitor \$_____

Changing table \$_____

Bottles \$_____

High chair \$_____

Bibs \$_____

Plates, bowls, and other utensils \$_____

Breast pump \$_____

Baby bathtub \$_____

Safety supplies for your home \$_____

Total \$_____

D. Add together the totals for A, B, and C to get the total budget for the year: \$_____

Finally, because I don't like surprises—and there are always surprises when it comes to children—I'd up the total by 10% or 15% just to be safe. That way, you have a bit of wiggle room.

Sources: BabyCenter.com and personal parenting experience.

Checklist 15.2

CHECKLIST: WHAT TO DO WHEN A PARENT DIES

- Notify family and friends
- Arrange care for dependents and pets, if any
- Secure the parent's home, if empty, and belongings (many security experts advise having someone stay at the home during the funeral)
- Have the parent's mail held for a week or two to give yourself time to catch up
- Review the parent's funeral wishes and discuss them with the funeral director to arrange for a service and burial or cremation
- Obtain 10 copies of the original death certificate
- Write and send an obituary to relevant newspapers
- Keep close records of all expenses and time spent (if you are the executor, you can choose to be paid by the estate for your time)
- Locate wills, trusts, life insurance policies, and safe-deposit boxes
- Locate other important documents that outline investments, debt, insurance, and bank accounts (if the parent has a financial advisor, call him or her for this information)
- Notify the Social Security Administration, Medicaid, and former or current employer if parent was receiving a salary or pension
- Investigate Social Security and life insurance benefits
- Deal with insurance on parent's property, including home and vehicle
- Prepare an inventory of assets, accounts, and debts
- Cancel credit cards and charge accounts
- Obtain appraisal of assets, if necessary

Source: Health and Elder Law Programs (H.E.L.P.; www.help4srs.org).

Chapter 15 Resources

Associations

Books

The AARP Crash Course in Estate Planning: The Essential Guide to Wills, Trusts, and Your Personal Legacy, by Michael Palermo (2008)

Covers every aspect of planning an estate and a will.

A Guide to Elder Planning: Everything You Need to Know to Protect Yourself Legally and Financially, by Steve Weisman (2003)

A guide for elders and their children on how to handle the legal and financial issues that accompany aging.

Government Agencies

Internal Revenue Service

www.irs.gov

1-800-829-1040

Research the tax advantages of owning a home.

Federal Flexible Spending Account program

www.fsafeds.com

1-877-372-3337

Detailed information on the Federal Flexible Spending Account program; use the Web site to determine eligibility, access forms, and enroll in the program.

Web Sites

AARP

http://www.aarp.org/families/end_life/

1-888-687-2277

Visit AARP's End of Life section for information on issues surrounding aging for both elders and their families. Includes tips on estate planning, caregiving, and legal issues, as well as how to handle the emotional aspect of a loss.

H.E.L.P.

www.help4srs.org

310-533-1996

A nonprofit education and counseling service created to help older adults and their families deal with elder care, law, finances and more; the group's Web site features information on issues affecting elders and their families, a schedule of free informational classes, and more.

National Endowment for Financial Education

www.nefe.org

303-741-6333

An independent, nonprofit foundation whose Web site features financial news, resources, research, and more.

SmartAboutMoney.org

www.smartaboutmoney.org

303-741-6333

An independent, nonprofit foundation, the National Endowment for Financial Education hosts the SmartAboutMoney.org Web site to provide Americans with information on a broad range of financial topics.