J. Cooke: We're very fortunate right now to have sufficient time for questions and answers, so that if you do have any questions on how to make your plan or how to start, how to budget, how to set goals, we have our three panelists who will be able to answer them. So, perhaps, right now, I'll ask the operator to explain to everyone how you would go about asking a question.

Coordinator Thank you. Our first question comes from Elaine Varney. Your line is open.

E. Varney I think it was the second speaker talking about—I couldn't quite hear. Was it weight points or way points, and she gave some examples, but I don't know the definition of a way point. Could she tell me that, please?

J. Lane I was talking about the different transitions that you may, in fact, have in your life and making the comparison to vacation planning. So, with the vacation plan, you might say, “I would like to go to Australia, but the first thing I will do is fly from Boston to Los Angeles, and then I'll fly from Los Angeles to Hawaii, and then I'll continue on from Hawaii to Australia.” Having never been, I don't know what the different
When you make a financial plan, you think about those way points as well. I'm 37 years old right now and I have my own business, and my next way point might be when my husband retires and goes into law school, for example, and that's in seven years. So that's one way point. And then, the next way point after that might be when I turn 60 and I reduce my hours to three days a week. The next way point after that might be when I'm 70 and I reduce it down to one day a week working in my practice. So I was just using way points as an example of being specific about your goals and outlining them with each of those different steps to your final destination in mind.

Coordinator Our next question is from Laura Vines. Your line is open.

L. Vines Hello. My question is for Dorothea Bernique, please. Dorothea, I'm interested in starting a budget. Do you have any suggestions for a budget program?

D. Bernique Ms. Vines, basically, for a budget program, there are many things that you can use. There are a lot of workbooks out there on the market. There are computer programs. As a Christian counselor, I highly recommend www.crown.org. They have material where you can actually go to a workbook and set up a budget step by step. I will also recommend to you
that you find a good budget counselor, someone that will come along beside you and actually help you in your level of accountability, help you actually follow through on some of the goals and plans that you have.

J. Walstedt  This is Jane Walstedt. I have a question. In her book, *Think Single: The Woman's Guide to Financial Security at Every Stage of Life*, Janet Bodnar, Executive Editor of *Kiplinger's Personal Finance Magazine* writes that at some point in their lives, 90% of women in the U.S. will be managing money on their own because they've been divorced or widowed or have never been married. Do any of you have a comment on that or are you familiar with Janet's book? I'm thinking about the women I know of who defer all the financial decisions to their husbands, and Janet isn't saying divorce your husband, but she's saying you never know when you might need to take over the finances or know about the finances.

J. Lane  This is Jennifer. I have quite a bit of experience with that if you'd like me to answer the question.

J. Walstedt  Anyone of you or all of you.

J. Lane  This is Jen. I know the other two financial advisers will speak to this as well. I think that those people in the partnership, regardless of how that
family is set up, really need to be involved in the finances. Unfortunately, women in the United States are not encouraged to, and I’ll use my own family as an example.

My husband, obviously, being married to a financial planner, would just as soon, leave it to me, but we have regular, we call them “family money meetings.” At the end of each month, we sit down and we review all of these things together and just get him involved in case something happens horribly to me, either a divorce or I die. He's able to really be up-to-speed on all the financial issues and the financial information in our family.

L. Kramer I also have a thought on that. I see this quite often with women. I think that our roles from society have also told us that money is a taboo topic, and it's actually a very difficult topic to discuss in a marriage. So I think finding a way, if you commit to having this conversation, whether you're in charge of the finances in this partnership or not, but having the conversation and finding a way where it's not a difficult conversation, where nobody feels defensive about what's going on, it's all about learning and education. So that you're both feeling empowered, is a great way to put your foot in, because the reality is, is that women are going to have to manage their money. Unfortunately, when they're thrown into the position of having to take over, it's a very overwhelming time.
So, I've seen a tendency to get the money, not know what to do, and then turn to someone and they don’t know the questions to ask or the considerations that are involved, and sometimes, they get taken advantage of. So I think finding a comfortable way in the marriage to discuss the topic and make it more of a fun conversation as compared to a drudgery conversation is a good first step.

D. Bernique

I just would like to add to that--this is Dorothea--in reference to one way to do that to make it not a drudgery, but a fun thing, is to actually set up a financial date with your spouse, where you go out and just have a good time together, but know your purpose--that during that time you're going to discuss your financial matters. As a secret, there's a reason for going out in public, so that you don't get into an all out argument or anything like that. You're not going to do that in public, but you're going to sit there and you’re going to logically discuss your situation. So, actually, set this up on a regular basis so that you have a routine time that you set aside to discuss your finances.

As the woman or the female, whether you handle the finances or not, it’s good to always be involved. At least know exactly where everything is, how things operate, because you never know when you will find yourself in the position of being in control. But a good way of doing that, if you're a married couple out there, is to have a financial date night.
J. Walstedt

One of the times that I think that can be a problem is--and I think it happened to our own congresswoman--is when she let her husband do the taxes and, really, didn't read over what he had done, and then there was a problem with the taxes.

L. Kramer

Yes. That's a huge point. Women need to feel comfortable enough not to sign anything unless they clearly understand what they're signing. Part of this is feeling the strength and confidence to ask questions if you're with your husband talking with your financial adviser, and it’s the financial adviser that the female may not be as comfortable with but the husband gets along greatly with.

I think you need to feel very confident in saying, “Here's a term I don't understand,” or “Explain to me exactly how this is going to work,” because by asking questions, you're not saying “I'm not smart” or “I don't understand this” or “I'm not a financial person.” What you're saying is, “I want to learn this and I have every right to understand exactly how this works.”

If the relationship is not comfortable enough, maybe that's part of the conversation you have with your spouse about finding someone that you both feel strongly in interacting with, because I do believe when you're
working with a financial adviser or investor that that relationship is crucial.

J. Cooke  Thank you. Operator, are there any other questions at this time?

Coordinator  I'm showing no questions.

J. Cooke  Okay. I have one that I know when I'm out talking about the subject people will tell me that when they do their income and expense data, they find that a lot of their expenses are going to credit card debt. Sometimes they say, "Well, how do I decrease that? Should I consolidate? Should I not consolidate? Should I set a time limit?" So, I wonder if any of our panelists wanted to say anything about that today.

J. Lane  This is Jennifer. That actually works into your goals in a certain way, and it works into making you sure that you have money going in all of those different directions all at the same time. Because I often see people that say, "I'm going to pay my credit card debt off within three years," and they put all of their resources towards the credit cards. They get them paid off, but they've only been sending money in that one direction.

So, as soon as the credit cards are paid off, you can speak to them in a few months and the credit cards are back on. They didn't have savings, so
something went wrong with their car or some other emergency and they needed to use the credit card. I advocate to put money towards the credit cards to pay them down, but, at the same time, have money going into that emergency basket, the life basket and the transition basket. Because once you send money in a certain direction, it always continues in that direction. If you're always just sending it to the credit card, that will be the only direction it goes in.

J. Cooke Thank you, Jennifer. Do any of our other panelists want to add to that?

G. Patterson Yes. I have a question. I’m Gail Patterson from the Women’s Bureau, and it's two questions, one for Jennifer and one for Dorothea.

Jennifer, about credit cards, do you suggest that you only have one major credit card instead of two or three, like most people have?

And for Dorothea, let's just give you a scenario. If I never saved any money and I decided [at] 50 years old, "Okay. I need to save some money because I want to retire maybe at 66 to 67, and I need to budget,” but does that mean that I'm going to be budgeting until I’m that age?

J. Lane This is Jennifer, and we'll start with the credit card question. Really, the simplicity of your financial life is very important, especially, when it
comes to making sure that you can track where your income and your expenses are coming from. I think Leanne did a really good job of describing that. So, I would advocate that people have maybe two or a maximum three credit cards. I like to carry one of those credit cards that you have to pay off at the end of the month because that makes me pay it off [at the end of the month] and that keeps the extra finance charges from being applied to new purchases, which happens on my Visa card. If I don't pay it off and I decide I'm going to stretch it over two months, my new purchases have a charge, so I have an American Express card that I use mostly, so that that doesn't happen.

So, I advocate people having one or two credit cards and no more because it does need to be simple bookkeeping and you don't want to have too much. I'll just put it very quickly. The credit cards that are always sending you a note "I just increased your credit limit," and they're always increasing your credit limit, reply to them in writing, "Don't increase it anymore," because you don't need it. Who needs $50,000 credit limit on their credit card and it counts against you on your credit rating?

D. Bernique Can you repeat the question again, please, for myself?

G. Patterson Yes. If I decide late in life that I want to start budgeting in order to retire within the next ten to 15 years, would that mean that I would have to
remain on a budget because I started so late the rest of my life until I reach that age?

D. Bernique Actually, when you say remain on a budget for lifetime, basically, budgeting is a money manner. It’s a principle or discipline, which should be a lifestyle habit from the beginning, and the earlier we start, the better result that we get.

Now, for a person that is just beginning to save for retirement at that late age, yes, of course, you put a budget in place and you include savings in that budget. Again, because of the age, the amount of savings needed will be a lot more than the savings needed for a younger person. But, yes, once she starts budgeting and putting savings in place, it should be something that is continued and should just become a part of their lifestyle discipline. Did I answer your question?

G. Patterson Yes. Thank you.

Coordinator Excuse me. This is the operator. We do have a question from the phone. We have a question from Laura Vines. Your line is open.

L. Vines Yes. My husband is active duty military, and he started saving by using saving bonds. We recently cashed those in, and now we have about
$20,000 to $25,000 sitting in the bank. I'm wondering, and this is for any of the speakers, what would be your suggestion for investing or a different method of savings?

J. Lane This is Jennifer. My comment would be that it depends on where that money falls into how that fits into your financial goals. If you do not have money in your emergency savings, you need to have that in a safe investment to fill that emergency savings basket. Or then if you do have emergency savings already set aside, you could look at your life basket or your retirement basket and see whether mutual funds would be appropriate.

D. Bernique This is Dorothea. I would also like to add, you want to ascertain what type of investor [you are] or what other type of results you want to see that money accomplish for you. Would you like to see it grow rapidly or are you one that would be maybe a little bit more conservative and would like to just make sure that the principal is conserved or would you like to see it grow quickly or are you a moderate investor? Basically, that will also determine what types of investments you would put it in or where you would keep it in order to see growth from it.

J. Cooke Thank you.

Coordinator Our next question comes from Elaine Varney. Your line is open.
E. Varney: This is to any of the panelists. I have a two-part question. Someone had mentioned the book by Janet Bodnar for finances for the single woman. Could they spell that name and the title of the book?

And the second part the question, I just read a book that said, "The best investment and the safest and most secure are U.S. Treasury bonds and U.S. agency bonds." I just wonder if somebody could explain what those are, and I'm not sure I have the correct terminology for agency bonds. Thank you.

J. Walstedt: This is Jane Walstedt. I mentioned the book by Janet Bodnar, and her last name is spelled B-O-D-N-A-R, and it's entitled Think Single: The Woman's Guide to Financial Security at Every Stage of Life. This call will be—I don’t know if the question and answers are—but the call will be posted on the Wi$e Up website afterwards. So if anybody misses something a speaker said, they can access it on the Wi$e Up website when it's posted.

L. Kramer: Can I also add another fantastic book out there for women and their finances is written by Barbara Stanny, and her last name is S-T-A-N-N-Y and it's called, Prince Charming Isn’t Coming. I don't know if any of you are familiar with that. But Barbara actually had the experience of—her
father was one of the Blocks of H&R Block and she had a lot of money, and through marriage, unfortunately, by giving over power to her husband, lost a lot of money. So she has great tips on all of these financial aspects if you like to learn from books.

J. Lane This is Jennifer. While you’ve got Barbara Stanny pulled up at the bookstore or the library, make sure that you also take out her book *Six-Figure Women*, and it talks a lot about women and money self-esteem and why we feel so afraid sometimes to ask for the salary and the income that we really do deserve.

J. Cooke Thank you. I have a question.

L. Kramer Did we answer the last question?

J. Cooke Sure.

L. Kramer Wasn't there another part to that question that the caller asked that I think we didn’t get to?

D. Bernique The agency bonds and the treasury bonds.

J. Lane That's right. So I spoke up, so I'm the one that has to answer it, I guess?
J. Lane     Treasury bonds are issued by the United States government. Actually, a good place to look at information on treasury bonds is the website TreasuryDirect, which is www.savingsbonds.com or .gov. Check both of them. I don’t recall which one it is. I'm not at my computer. You can invest in Treasuries directly through the government there, and there are very few fees. You can also buy Treasury bonds through your broker by talking to your financial advisor. Usually, when you're buying Treasury bonds, you're purchasing them for $20,000, $25,000 or more. So it's very, very important that you understand how bonds and interest and yield and maturity all work, and I know you can probably find out more about that in the Wi$e Up book.

Agency bonds are a little different. They're still government bonds, but they cannot publish, they cannot print their own money the way the United States Treasury can, so they're considered to be a little more risky. They have a credit line with the government and if get themselves in a spot, they can borrow money from the Treasury. They are the people that offer or purchase and re-write mortgages, so the Fannie Mae, Freddie Mac - those folks. So when you're purchasing agency bonds, because it has a little bit of extra risk perceived by the market because agencies can't print their
own money, you supposedly get a small additional yield.

That's the basics of it. It's important that when you're buying these, that you are understanding who you're buying them from and who you're buying them with. So I think a little more reading is very important, but that's basically what they are.

J. Cooke Thank you. Operator, any other questions?

Coordinator We do have a question from the Lee Burke. Your line is open.

L. Burke It's not really a question. I just wanted to point out that the best place to find out about Treasury bills, notes, bonds, inflation protected securities and savings bonds is www.treasurydirect.gov. That's a better source than www.savingsbond.gov. Savingsbonds.gov is our old site that really just talks about savings bonds. It's not that you can't get to the other information.

The other point I wanted to make is for Treasury bills, the minimum is $1,000, so you can buy them for as low as $1,000. So it's not necessarily $20,000 or $30,000, although, obviously, you can buy that quantity, as well. So that was…
J. Cooke  Thank you, Lee. Operator, any other questions? We might have time for one quick one.

Coordinator  I'm not showing any further questions.

G. Patterson  This is Gail Patterson. I have a question. Going back to discussing your finances with your spouse in case something happens, I had heard somewhere that you can cover your mortgage after your spouse is deceased, especially if that spouse has been taking care of all the bills. I'd like to know if anyone has heard anything like that, say, where your mortgage is covered for the rest of your life, through some sort of insurance purchase. Have you heard anything like that before?

L. Kramer  This is Leanne. I have not. I've been in the industry, licensed since 2001, so that's not to say that there aren't things out there. But in our planning, we usually try to get—let me see if I understand the question correctly. Usually, if a spouse dies and there's a mortgage left, life insurance is an excellent way to cover that. So that when the spouse dies and the wife is the beneficiary, part of those funds would be used to pay off the mortgage. Is that kind of what you're asking or are you thinking or you've heard of a specific product that continues on?

G. Patterson  I thought there was a specific product that you probably purchase to make
sure that your family is taken care of if you happen to pass away, but maybe it is through life insurance.

J. Lane There is a mortgage-life insurance product that the mortgage company a lot of times will offer to you that specifically pays the mortgage off if the person who's covered by the life insurance dies. But I'm not sure whether that was Leanne or Dorothea speaking before, but--

L. Kramer It was Leanne.

J. Lane Okay. I totally much more agree with her. This is Jennifer. I think that if you would have difficulty paying your mortgage payments if something happened to your spouse that would be a circumstance of really including that in your whole life insurance program, rather than just buying the specific mortgage product.

G. Patterson Thank you.

J. Cooke Thank you, all, for the good advice and the excellent motivation here.