



# Wi\$eUp e-News...

[www.wiseupwomen.org](http://www.wiseupwomen.org)

Financial Planning for Generations X and Y

Spring 2010



**Sara Manzano-Diaz**  
Director, Women's Bureau  
U.S. Department of Labor

## Financial Fridays Texas A&M University Holds Wi\$eUp Series on Campus

- Financial Planning Tools:  
March 26, 2010
- Credit and Debt:  
April 16, 2010
- Saving and Investing for the  
Future: May 7, 2010

## Congratulations to Sara Manzano-Diaz Director of the Women's Bureau

Sara Manzano-Diaz was nominated by President Barack Obama on September 30, 2009, confirmed by the United States Senate on February 11, 2010, and was sworn in on February 19, 2010, as Director of the Women's Bureau. The Women's Bureau was created by law in 1920 to formulate standards and policies to promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment. She comes to the bureau with the vision of empowering all working women to achieve economic security.

Previously, Ms. Manzano-Diaz was appointed by Governor Edward G. Rendell as Deputy Secretary for Regulatory Programs at the Pennsylvania Department of State. As the highest-ranking Latina in Pennsylvania state government, Ms. Manzano-Diaz was responsible for protecting the health, safety, and welfare of the public by overseeing the licensure of approximately 1 million professionals. She was also a member of Governor Rendell's STEM Initiative Team that supports the development of science, technology, engineering, and mathematics education, and workforce development programs.

From 1995 to 2002, Ms. Manzano-Diaz served as Deputy General Counsel for Civil Rights and Litigation at the U.S. Department of Housing and Urban Development, where she enforced fair housing, civil rights, and anti-discrimination laws. While at HUD, she implemented a compliance agreement against the largest public housing authority in the country that resulted in the creation of 9,000 disabled housing units in accordance with the Americans with Disabilities Act.

She also previously served as an Assistant Attorney General in New York and a Pro Se Attorney in the New York State Judiciary.

Ms. Manzano-Diaz has spent her career in public service advocating on behalf of working class families, women, and girls. She served as a co-chair of The Forum of Executive Women's Mentoring Committee, which mentors young professional women as they begin their careers, and also participated in Madrinas, a program that provides mentors for at-risk Latina girls to encourage them to finish high school and attend college.

Ms. Manzano-Diaz holds a bachelor's degree in Public Relations and Communications from Boston University and a law degree from Rutgers University School of Law.



Women's Bureau  
U.S. Department of Labor  
<http://www.dol.gov/wb>



For more information on Wi\$eUp resources or to register for the online course, go to [www.wiseupwomen.org](http://www.wiseupwomen.org).

## Earned Income Tax Credit Provides a Boost for Working Women and Their Families

During the recession, women have worked very hard to provide for their families. Widespread unemployment has impacted many households. As a result, many working households earned less money in 2009 than in previous years. Many such households will qualify for Earned Income Tax Credit (EITC) even if they owe no income tax. Sometimes, the EITC goes unclaimed because people do not understand that they must file a tax return to obtain the credit. As shown below, the EITC can be an important way for households to reduce debt, increase savings, or simply make ends meet.

Earned income and adjusted gross income (AGI) must each be less than:

- \$43,279 (\$48,279 married filing jointly) with three or more qualifying children
- \$40,295 (\$45,295 married filing jointly) with two qualifying children
- \$35,463 (\$40,463 married filing jointly) with one qualifying child
- \$13,440 (\$18,440 married filing jointly) with no qualifying children

Tax Year 2009 maximum EITC credit:

- \$5,657 with three or more qualifying children
- \$5,028 with two qualifying children
- \$3,043 with one qualifying child
- \$457 with no qualifying children

## Financial Record Keeping

Each new year brings hope for fresh beginnings and positive changes. If you find it hard to keep track of your financial records and spent a lot of time looking for important papers in order to file your 2009 income tax, or you are wondering what your financial condition is, check out chapters one and two of the Wi\$eUp course at <http://wiseupwomen.org> to learn more about:

- straightening your financial files and records by creating a financial center where your important papers can be easily accessed;
- preparing a Statement of Financial Position;
- keeping a Spending Notebook and analyzing it to see if “you like what you see”; and
- preparing a Statement of Income and Expense.



### Participant's Corner



**Amber Haig** attended a Wi\$eUp series conducted by Margaret A. Jover, Denton County Extension Agent with the Texas AgriLife Extension Service, and brings us the following story.

“I am a Generation X'er who is married and employed with the Denton County Health Department. Immediately after attending the Wi\$eUp series, I paid off many of my credit cards. I began using the “envelope system” to pay bills and made a spending plan. Nearly two years later, I constantly tell others how the Wi\$eUp program made a difference in my finances.

My husband goes to college, and his evening job pays him in tips so we were having some difficulties in managing the family finances. Not having a set amount of money coming in each month presented a problem; however, my husband became more involved in the family finances and quickly adapted to the envelope system of management. We now use my salary for some of the bills, and when my husband brings in his tips – the cash goes into the envelopes for other expenses such as groceries, eating out, and other categories that can be paid in cash. Seeing the credit card balances reduced and disappear has been a motivator for our family.”

Amber highly recommends the Wi\$eUp program for anyone but says, “It is especially useful for young women who have less experience in managing money.”

## IRS Tax Preparation Made Easier with Free File

The Free File program provides free federal income tax preparation and electronic filing for eligible taxpayers through a partnership between the Internal Revenue Service and the Free File Alliance LLC, a group of private sector tax software companies. Some companies offer free or paid state tax preparation and e-filing services. Check out <http://www.freefile.irs.gov/> to learn more and to see if you qualify. The Free File program:

- provides free tax preparation and e-filing if your adjusted gross income is \$57,000 or less in 2009,
- asks simple questions and puts your answers on the right forms,
- does all the math for you,
- checks for accuracy,
- provides quick access to the most commonly filed federal tax forms and schedules, and
- allows you to file a free federal extension.

## Another IRS Free File Option

<http://www.freefile.irs.gov/>

The IRS also has a way to file your tax return *without using* tax software.

- There are no income limitations.
- You choose, self-prepare, and e-file your 1040, 1040A, or 1040EZ return using the blank IRS forms.
- The website includes basic calculation capabilities.
- It does NOT support state forms or state e-file.
- It allows you to file a free federal extension.

## Free VITA Tax Help

The **Volunteer Income Tax Assistance (VITA)** program is designed to assist low to moderate income taxpayers. To find a site near you, call 1-800-829-1040.

## Free AARP Tax Help

The Tax Counseling for the Elderly (TCE) program assists taxpayers who are 60 or older with their tax returns. To find the nearest **AARP TaxAide**, visit <http://www.aarp.org/money/taxaide/> or call 1-888-227-7669.

## Important Tax Filing Dates

For most U.S. citizens and residents, the due date is **April 15, 2010**. If you need more time to file your tax return, you can apply for an extension of time. Your new filing deadline will then be **October 15, 2010**. Use Form 2350 – Application for Extension of Time to File U.S. Income Tax Return. If you need a copy, you can download it from [www.irs.gov](http://www.irs.gov). Some e-file programs will allow you to submit Form 2350 online to the IRS.

If you owe taxes, your deadline for paying them is still April 15<sup>th</sup> even if your return is not due until later.

## Expert's Corner



**Delores Lenzy-Jones** came on board as a Wi\$eUp Expert in March 2004. She is a Senior Financial Consultant for Dell Computers Inc. in Round Rock, Texas. Delores earned a Masters of Business Administration (MBA) in Financial Management from St. Mary's University and a Bachelors of Business Administration (BBA) in Accounting from the University of Texas at Austin. Here's what she recommends to readers.

**Financial Gymnastics – YOU CAN DO IT: All Year Long.** The beginning of a new year is the perfect time to refresh and get energized by the myriad of possibilities that lie ahead both professionally and personally for you in 2010. Generally, during the first three months of the year, the gyms are packed with individuals fulfilling their "New Year's Resolutions." However, after a few short months they lose interest. Getting your financial house in order should be one of your goals for 2010. You might think, I am so much in debt – too many credit cards, mortgage and car payment; there is nothing I can do. NO!

Here are some easy-to-implement suggestions that will help you cross your financial finish line:

- Develop a "realistic" budget and stick to it.
- Reduce your overall expenses, i.e. 10 percent (first three months), 20 percent (second three months), etc.
- Avoid frivolous spending – eliminate gourmet coffees, excessive entertainment, and eating out.
- Purchase wholesale/bulk buying such as Wal-Mart, Sam's, and Costco to save money.
- Use coupons from the newspaper and online.
- Select an amount you will save each month and don't deviate from it, e.g. \$200.
- When shopping, look for the reduced percent off racks (I personally like 75% off!).
- Attend events free to the public like listening to music in the park and free plays.
- Reduce magazine subscriptions – read online for free.
- Transfer higher interest debt to a lower interest credit card.
- Consolidate debt where possible.
- Join rewards programs and earn dollars, services, or gifts.
- Refinance your mortgage at a lower interest rate.
- Don't carry large amounts of cash or credit cards that tempt you to spend.
- Stick to your financial "New Year's Resolutions."

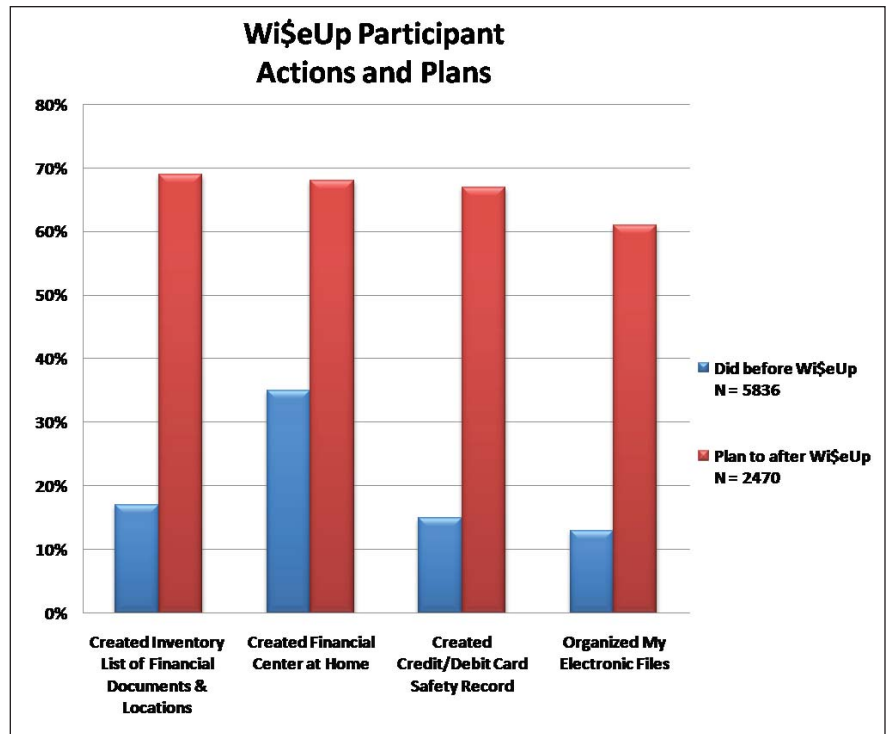
More than 20 years have elapsed since I was thousands of dollars in debt and eating rice for most meals because that's all I could afford. After putting into action the above tips, I am now debt-free and have enough money to do anything I want. You can too!!! Start small and as you reach your goal, try more of the tips. Eventually, it will become a way of life. Good luck, and keep exercising your way to financial freedom. Happy New Year!!!

## How Do You Compare?

You may be interested in knowing how your plans and actions compare with other Wi\$eUp participants around the country. Here's what we've discovered about Wi\$eUp participants.

The graph to the right represents the practices and intentions of Wi\$eUp participants BEFORE and AFTER taking Wi\$eUp. The numbers and percentages refer to the *number* of participants who told us *what* their current financial practices were BEFORE taking Wi\$eUp and the *actions they planned* to take AFTER Wi\$eUp.

How do you compare with other Wi\$eUp participants?



## Organizing Your Financial Records

Everyone's financial life consists of giant paper trails and e-records. Being organized is emancipating! It cuts down on stress so you can focus on actual financial management. Two types of organization are required. The first is the *physical organization of papers and electronic records*, and the other is the *organization of data or information*.



The Wi\$eUp program developed the following forms that are designed to help you do just that!

- **Credit and Debit Card Safety Record:** <http://wiseupwomen.tamu.edu/downloads/worksheets-pdf/My-Credit-and-Debit-Card-Safety-Record.pdf>
- **Vital Documents Inventory:** <http://wiseupwomen.tamu.edu/downloads/worksheets-pdf/My-Vital-Documents-Inventory.pdf>
- **My Electronic Accounts, Passwords, and PINs:** <http://wiseupwomen.tamu.edu/downloads/worksheets-pdf/My-Electronic-Accounts.pdf>

## About Wi\$eUp



Wi\$eUp is a financial education program designed for Generation X and Y women by the U.S. Department of Labor Women's Bureau.

The Wi\$eUp curriculum was developed by the Texas AgriLife Extension Service, Texas A&M System, under contract with the Women's Bureau. It is offered online ([www.wiseupwomen.org](http://www.wiseupwomen.org)) and in group settings in all ten of the Women's Bureau regions and is being replicated by a variety of groups across the nation. Wi\$eUp's online course system and website are managed by Texas AgriLife Extension Service.

Bi-monthly national teleconferences are coordinated by the Women's Bureau and are held the last working day of November, January, March, May, July, and September on topics of interest.

## Tell Us What You Think

Wi\$eUp would like to hear from you! Send us your ideas for future issues of e-News. Or share your ideas by submitting an item for *Wi\$eUp – Ideas that Work*. Send your comments to: [wiseupwomen@wiseupwomen.org](mailto:wiseupwomen@wiseupwomen.org); put "e-News Idea" in the subject line.

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