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MONEY MATTERS FOR MONTANA WOMEN

KERRY HANNON'S

BEST MOVES GUIDELINES

The fear of outliving our money is real.

And it should be.

There's a 50% chance that a 60-year old man will live to 84 or older and that a 60-year old woman will live to at least age 87, according to the Society of Actuaries.

There are lots of roadblocks that stop us from socking away money for our futures and for most people it is simply making ends meet right now.

Here are the best ways for you to stay on target on your road to retirement, decade by decade.

Your 20s:

When my niece walked across the graduation stage to pick up her Bachelor of Science diploma from the University of Richmond, I wasn't too worried about her financial future.

Ever since she was a teenager she has always saved and invested the money earned from a potluck of summer jobs. But not every recent college graduate is as knowledgeable about personal finances. If that's you, here's what you need to do right now.

- **Pick up a book or two on money basics.** I recommend the bestselling "Get a Financial Life: Personal Finance in Your 20s and 30s" by Beth Kobliner, a noted personal finance commentator and a member of the President's Advisory Council on Financial Capability for Young Americans.
- **Pencil out a budget.** After working for a few months and getting used to the amount of take-home pay (after taxes) you're earning, figure out how much money you can afford to spend each month.

  Mapping out your budget is a great way to help you quickly uncover whether you're on the rocky road to spending more than you make. To begin budgeting, first add up the essentials, like your rent, utilities, groceries, transportation, student loans and a car loan. That'll let you know how much is left over for other spending and saving.

  Try not to eat out at restaurants too much, take taxis or spend frivolously on clothes. You'll probably need to jump-start your wardrobe for work, but there are plenty of ways to do so frugally. Don't forget to check out secondhand stores for lightly used clothing buys. Websites such as Mint.com offer free software to track spending, set up a budget and more.
- **Move in with your parents to keep housing costs down.** This presumes they're okay with the idea and won't charge you rent. You'll then be able to devote the money you save on housing to cutting your debt and increasing your savings.

  Not having rent payments lets you squirrel away money, start an emergency fund and have enough cash for the one-month security deposit necessary for your first rental.
- **Steer clear of credit card debt.** If you're not saddled by debt payments, you'll be more nimble and able to pursue a wider array of career opportunities.

  Debt can stop you from taking a job you might love because the salary won't be high enough to meet your monthly obligations.

  It can even shut the door on a job offer altogether, because an increasing number of employers are checking prospective employees' credit reports as part of their due diligence.

  I admit this anti-debt advice will be tough for many new grads with student loans to follow. A Fidelity Investments study found that a stunning 70% of the class of 2013 graduated with an average debt of $35,200.

  And 42% of Millennials polled say their debt is "overwhelming," according to a new Wells Fargo Retirement report, twice the rate of boomers who were surveyed.
- **Start investing.** No, it's not too soon. In fact, one of the great advantages you have over people your parents' and grandparents' age is that you have many, many years ahead of you, which means more time for your money to grow. And, historically, buying stocks or mutual funds is the best way to do this.
- **Take advantage of your employer's 401(k) or similar retirement plan.** If possible, invest enough in your 401(k) to qualify for the full match (the amount your employer puts in as a result of how much you contribute). Most employers require workers to save between 4% and 6% of pay to get the maximum match. Whatever the match, try to take your company up on it. Why refuse free money?

  You might be leery to commit to a 401(k), worrying about tying the money up and thinking that you could invest outside the plan in whatever investment you want.

  But trust me, the automatic feature of a 401(k) trumps those concerns. You'll save for the future without having to think about it—and the penalties for early withdrawals will help keep you from dipping into the money.
- **Check your credit score.** You can check your credit report with the three credit bureaus—Experian, TransUnion and Equifax—for free once a year. To request your reports, go to www.AnnualCreditReport.com. Now is a good time to get in the habit of running this check annually to check for any mistakes that can cause trouble for you down the road.
- **Don't skip health insurance.** When you're in your 20s, you think you'll never get sick or injured. But sudden illnesses do strike and accidents do happen. Insurance will help you pay the medical bills.

  Under the Affordable Care Act (also known as Obamacare), you can be insured as a dependent on your parent's health insurance plan if you're under 26. The exception: If you can get health insurance through your own job.

  If you can't piggyback onto your parent's plan and you don't have a job with health insurance, you might need to buy a short-term policy through the new health insurance marketplace.

Your 30s:

Time is on your side. These are the most powerful years for you to save because the number one component in saving enough to retire is having the time for money to compound and be invested. People in their 30s are often so busy having fun that they often don't think about savings.

Just do it. Most of the big-ticket items like a monthly mortgage, medical bills, the costs of raising children, or helping out an aging parent are still in front of you, so you have a little financial flexibility.

- **Get a snapshot of your finances.** Sites like Mint.com and YouNeedABudget.com can help you track your personal finances and discover ways to save.
- **Start getting educated about investing.** The Investor Protection Institute's site, iInvest.org, offers free guides that explain stocks, bonds and mutual funds.

  You can also learn the basics by taking a personal finance course at a community college or by attending investment seminars sponsored by a nonpartisan group like the American Association of Individual Investors.

  Some companies bring in outside financial advisers to offer investment talks over lunch. Check with your employer—and sign up.
- **Start investing at work.** You've got to save, save, save as much as you can. That's your priority right now.

  Workers under age 50 can contribute up to $18,000 to their employer-provided retirement plan in 2015. Your contributions are tax deductible, and your investments grow tax deferred until you are ready to make withdrawals in retirement.
- **Set aside enough to qualify for your employer's full matching funds.** The matches range from less than 1% of pay to more than 7% of pay. Most employers require workers to save between 4% and 6% of their pay to get the maximum possible match. Make sure to take them up on this, at least up to the maximum percentage they'll match—it's free money. Then put it on autopilot. You don't want to have to make too many decisions.

  If you earn enough and have money to save outside of that plan and don't earn so much that you are capped out by the IRS income limitations, contribute to a Roth IRA. The 2015 adjusted gross income phase-out range for Roth IRA contributions is: $183,000 to $193,000 for married couples filing jointly and $116,000 to $131,000 for singles and heads of households.
- **Set a target savings amount.** Ideally, you should save at least 15% of your salary every year and that includes your employer match. If you're not ready for that, your plan might allow you to schedule automatic increases each year. So if you are at 6% this year, bump up to 7% or 8% next year. Then steadily ratchet it up bit by bit until you ultimately get to the 15%.

  The beauty of this automatic investing strategy is that you're dollar cost averaging, which means that you're continually putting the same amount of money into an investment over a long period of time. It takes the emotions out of investing.

  Invest in stocks and stock mutual funds. You should aim for a diversified portfolio of stocks or stock mutual funds. You have a very long time horizon and, over time, equities have been proven to outpace returns on fixed income investments.

  Investors more than 15 years away from retirement should consider an aggressive portfolio with more than 80% allocated to stocks, since they provide the long-term growth potential you will need. As you get older, you gradually shift your allocation toward a more balanced mix of stocks and bonds.
- **Consider a target date fund.** Keep it simple. This is the old set it and forget it strategy. This fund type automatically adjusts the balance of their fixed income investments and stocks based on your age, so they help ensure that someone in their 30s will be suitably invested in stocks and will slowly shift to bonds by retirement age.

  Select your target date—the year you expect to retire, say, 2052. The biggest target-date fund families are Fidelity, T. Rowe Price, and Vanguard, though most financial institutions offer them, too.
- **Start an emergency fund.** This is the best way to avoid dipping into your retirement stash, and paying the resulting taxes and fees, for a sudden expense. This is money that needs to be readily available in the event of an emergency, be that an illness, a job loss, or an unexpected repair such as needing a new furnace in the dead of winter. The traditional parking places such as a money market fund or a savings account are still among your best bets. The rule of thumb has typically been 3–6 months worth of expenses as the amount needed for an emergency fund. However each investor should take a look at his or her own situation and adjust that amount accordingly.
- **Don't ignore your college loans.** But only pay off college loans as required and only accelerate if the interest rates are very high. Otherwise, keep your eyes on the prize, and the prize is retirement. Every additional decade you have to save makes a huge difference.

Your 40s:

Your life is getting up a head of steam both personally and professionally. And that usually means you need some degree of professional advice to get things straight. You may be married, raising young children, having a mortgage to pay, and are juggling an ever-demanding career. The upshot: the stresses on your finances are multiplying.

- **Find a financial adviser.** You can surely invest solo, but when you're just starting out, a certified financial planner can help answer questions about whether the investments you're considering are right for you.

  You should seek out a fee-only financial planner who has the Certified Financial Planner designation, awarded by the nonprofit Certified Financial Planner Board of Standards. These planners don't make money from commissions on products that they sell.

  Three national groups of financial planners offer searchable databases with contact information: The National Association of Personal Financial Advisors, The Financial Planning Association and The Certified Financial Planner Board of Standards.

- **Ensure you have an overall financial plan.** This should include not just your 401(k) plan, but an estimate of your annual retirement expenses. Don't ignore putting money in Individual Retirement Accounts and personal savings outside of work whenever you can spare the dough. And remember to factor in the money you're expected to get from Social Security. Knowing what you'll need and the sources it will come from will really help you figure out if you'll have enough money.

- **Rebalance your retirement account regularly.** Once a year is a technique that generally keeps your portfolio on course so that it doesn't get too weighted down in one sector. With a rising stock market, for example, you may have too much invested in stocks for you to sleep easy at night. Financial advisers generally suggest rebalancing whenever your portfolio gets more than 7% to 10% away from your original asset allocation. Workplace 401(k) and similar retirement savings plans often let you set parameters for automatic rebalancing.

- **Rollover any old 401 (k) plans.** This is the stage of your life when job jumping is often part of the career path. And that means it's time for some basic housecleaning. You've had a job or two. Your spouse has had a job or two. You have retirement money in different accounts.

  When you change jobs, you need to decide what to do with an old 401(k) plan. Just over a quarter of workers say they cashed out their 401(k) and either spent the money or used it to pay down debt, and likely also paid the resulting income tax and early withdrawal penalty (if under age 55) on that distribution. You can delay taxes and avoid the early withdrawal penalty by leaving the money in the old 401(k) plan, but you'll probably want to roll over your balance to an IRA.

- **Keep saving.** Even if you're spending more of your cash paying college tuition right now, or saving in a college account for your kids, than saving for retirement, try to sock away as much as possible in your 401(k) plan.

- **Make a personal retirement plan projection.** A good place to start is the online calculator called The Ballpark E$timate, from the Employee Benefit Research Institute's site, www.choosetosave.org. Many major mutual fund companies also have good retirement calculators on their sites.

- **Insure yourself.** You're probably spending a lot of money now on housing, college savings for your kids and more. It's all coming at you at once. If one spouse were to die in your 40s, however, and you haven't planned well, things can go seriously awry. You may end up depleting the deceased spouse's retirement accounts. Most financial professionals recommend a term life insurance policy that provides hundreds of thousands of dollars of coverage for minimum premiums over terms of 20 or 30 years, but has no cash value.

- **Save outside of retirement accounts.** View your 401(k) as part of your overall portfolio. Your outside investments might include a spouse's retirement plan, various IRAs, old 401(k) accounts left at former employers, taxable accounts, various individual stocks and bonds, and other investments such as rental property.

- **Set-up a self-employed retirement plan.** If you're starting a business, moving to a nonprofit or a small firm without an employee retirement plan, you should keep setting aside money as long as possible in tax-friendly accounts. Your three main options: a SEP-IRA, Solo 401(k), and a SIMPLE IRA. One of the biggest mistakes entrepreneurs make is not planning adequately—or at all— for their retirement. If you're self-employed, it's a squeeze to set the money aside, even if it is tax-deferred. There's a fear that you may need those funds to keep things rolling if the business doesn't grow the way you expect, or clients are lax on paying your invoices. You may even justify not saving for retirement with the dream that ultimately you'll sell your rip-roaring business and live off the proceeds in your old age.

Even if you plan to work "forever," get on a plan to be able to retire in your 60s. In fact, the annual Retirement Confidence Survey has consistently found that a large percentage of retirees leave the work force earlier than planned due to health problems or disabilities, changes at their companies, such as downsizing or closure, or having to care for spouses or other family members.

Others say changes in the skills required for their jobs or other work-related reasons played a role.

These are your peak career earnings years and a time when you need to embrace your goal of retirement planning, save more money and focus.

In the meantime, it's not unusual at this stage of your journey to find yourself looking out for what's next after accepting a "buyout" package from your longtime employer. And that means a whole new set of retirement planning challenges.

- **Pay down debts.** If possible, pay off outstanding high-interest credit card debts, college loans, and auto loans. Debt can be a real dream killer. So the earlier you can start to get a grip on this the better off you'll be when your prime earning years fade away.
- **Make your catch-up contributions.** If you've fallen behind, now's the time to play catch-up. In 2015, workers 50 and older can contribute up to $23,000 to their 401(k) or other employer-provided retirement plans. You can put in $18,000 in basic contributions and $6,000 in "catch up" contributions.
- **Get estimates of your Social Security and pension benefits.** You can get an estimate of your future Social Security benefits and a record of your lifetime earnings history at www.socialsecurity.gov.

  These days, many people elect to begin claiming Social Security as soon as they turn 62, the earliest age they can. If you delay claiming Social Security from age 62 to 70, you will increase benefits by about 8% a year.

  Delaying Social Security paychecks can make a huge difference over a woman's lifetime, in particular. That's because women live longer than men, on average, and will rely to a greater degree than men on Social Security income in retirement.

  In general, it's more advantageous for the higher-earning spouse to delay signing up for his/her Social Security retirement benefits. By waiting, she/he increases the size of his/her monthly Social Security check and, in turn, provides his/her spouse with a larger survivor benefit after she/he dies.

  Of course, since everyone's personal situation depends on variables such as health, employment history and personal savings, there's no set age for starting to collect Social Security benefits that's right for everyone.
- **Start planning your next act.** Money is the biggest stumbling block when it comes to changing careers later in life. That's because starting over in a new field, particularly a philanthropic one, or going the self-employment route usually comes with a price tag, at least initially. If you can start the planning process a few years ahead of time by saving, adding new skills and downsizing, you'll have a leg-up.
- **Learn before you quit.** Keep your current job while you add the education you need for your new pursuit. Many employers offer tax-free tuition assistance programs—up to $5,250, not counted as taxable income—and the contribution doesn't have to be tagged to a full-degree program. You may have to repay the funds, though, if you don't stay with the company for a certain number of years afterward.
- **Downsize your housing costs.** Think about moving to a smaller home, townhouse or condo. Depending on your real estate market, refinancing your mortgage can also lighten your debt load. Figure out how much you can save over time with an online refinancing calculator. Check www.HSH.com or Bankrate.com for the latest rates and then shop around. You might even be able to write off moving expenses.

  About 40% of boomers expect to move to another state at retirement, according to a survey by Del Webb, a retirement housing corporation. And while a smart relocation decision will bolster a financial plan, the reality is that money matters often take a back seat to lifestyle issues in retirement.

  Protect the wealth you've created. Review disability, life, personal liability and umbrella insurance. Evaluate long-term care insurance coverage. This is the time to do it. Premiums get much larger as you age, and if you have any health issues it might disqualify you.

Your 60s and beyond:

- **Set your Social Security date.** This is when the rubber meets the road and you need to make the decision of what age to begin tapping into your benefits. It's time to take one last run through the calculation.
- **Consider working beyond your official retirement age.** With longer healthier lives, the fact is most of us want to keep working for the mental engagement as well as the money.

  Look at the extra years as a time of possibilities to do things you may have always wanted to try and to find work that not only is meaningful to you, but to others. The icing: the added income can ease your financial angst about outliving your money.

  The more earning years you can build savings in a defined contribution plan like a 401(k) or an Individual Retirement Account (IRA), the better off you'll be down the road. Your monthly Social Security payment will grow, too, with more time on the job (until age 70). Plus, you delay tapping retirement funds, which can continue to grow.

  It can also provide income to pay for health insurance until you're eligible for Medicare at 65. Fewer employers are offering their retired workers medical benefits, and those who do are ramping up the amount retirees must contribute to the cost of coverage. Even better, you might even find a job that offers you access to a health plan.

  According to Fidelity Investment's annual Retiree Health Care Costs Estimates, a 65-year-old couple who retired in 2012 will need nearly a quarter of a million dollars to pay for medical expenses throughout retirement, including medical insurance premiums and out-of-pocket costs.

  If you do need to leave your current employer, try finding another job before you formally retire. It may take longer than you expected. Or sound out your current employer to see if there's a way to transition gradually to retirement. A growing number of businesses have programs that enable experienced workers to remain in the workplace.
- **Shift your investments to a more conservative asset mix.** Gradually transition your portfolio toward bonds and fixed income. You may, however, still want to hang on to, say, 40% stock holdings well into retirement.
- **Plan your withdrawal rates.** A conservative annual drawdown of your savings is, say, 3% in the first year plus an annual adjustment for inflation. For example, if you have saved $1 million when you retire, you can withdraw $30,000 in the first year from your portfolio and increase that amount by 3% in the second year, and so on. This approach provides a strong probability that you'll maintain the purchasing power of your withdrawals throughout retirement.

  Of course, you should go back to your trusty calculator and review your situation every year. At this age, you're well aware that life has a way of changing even the best-laid plans.

- Women live five years longer than men, on average.
- From the age of 65 to the end of life, most American women are single.
- Women save 8.3 percent of income, on average, vs. 7.9 percent for men.
- Only 14 percent of women are confident they will be able to maintain their lifestyle throughout retirement.
- 33 percent of women give themselves an "A" for their knowledge of managing money.
- Only 18 percent of boomer women use online money-management tools and calculators regularly.
- 41 percent of women say they understand stocks and bonds well.
- 49 percent of women fear they will become a "bag lady."
- Women are more likely to talk with their significant others about health issues (78 percent) and sex (74 percent) than salary (66 percent) or investment ideas (65 percent).
- 59 percent of women age 45 to 60 don't have an emergency fund that would cover their expenses for six months.
- Only 47 percent of women said they'd be confident talking about money and investments with a financial professional.
- In a Fidelity study, the average retirement balance for women was $63,700; it was $95,800 for men.

[These statistics have been compiled from multiple sources. For additional information, contact Kerry Hannon.]

A Money Checklist for Women 50+

from Kerry Hannon

A Money Beginner's Checklist

If you're a 50+ woman who hasn't managed money before, here's a checklist to help you get started:

Bone up on the basics.
Two excellent, comprehensive personal-finance books are Carrie Schwab-Pomerantz's "The Charles Schwab Guide to Finances After Fifty" and Jonathan Clement's "Money Guide". Online, visit the Investor Protection Institute's iInvest.org site, whose free guides explain stocks, bonds and mutual funds. Two good money sites oriented toward women: DailyWorth.com and LearnVest.com. Also, check out WISERwomen.org from the nonprofit Women's Institute for a Secure Retirement, especially its Investment 101 tutorial.

Get a snapshot of your spending.
Sites like Mint.com and YouNeedABudget.com help you track your personal finances and discover ways to save.

Build your emergency fund.
Most advisers suggest you set aside six months of living expenses; if you can gradually build up to a year's worth, do so. A money market mutual fund or a bank savings account are smart, safe places to stockpile this money.

Focus on paying down debts.
Whittle down high-interest credit card debts, college loans and car loans. You might begin by paying off the smallest balance first, for a sense of accomplishment.

Give yourself an insurance checkup.
If you still have dependent children, you may want to buy a term life insurance policy. In your 50s, you may also want to research long-term care insurance policies. Also, review your needs for disability and liability insurance.

Take advantage of your employer's 401(k) or similar retirement plan.
If possible, invest enough to qualify for the full match (what your employer kicks in). Why refuse free money? The maximum contribution for people 50+ in 2015 is $24,000.

Set an annual target savings amount.
Ideally, you should save at least 15 percent of your salary every year, which includes any employer match.

Start learning about investing in the stock market.
Over the long haul, stocks have outperformed bonds and bank savings accounts and CDs. A general guideline: for retirement savings, take 100 and subtract your age for the percentage of your portfolio to hold in stocks. If you're 55, you'd want 45 percent in stocks. As you get older, gradually shift toward a higher concentration in safer bonds.

Start investing in stocks.
The best way is through a diversified mutual fund. Morningstar.com, the investment advisory firm, has areas on its site about funds geared toward novices. You might want to join the National Association of Investors Corp. (www.betterinvesting.org) to learn more about the stock market through online classes, webinars and research reports. This group can also help you set up an investing club and point you to ones near you.

Learn about index funds and Exchange Traded Funds (ETFs).
They're low-cost, diversified ways to own a basket of stocks that matches the overall stock market or a slice of it.

Contribute to an Individual Retirement Account (IRA).
This is a retirement plan, sold by banks, brokers and mutual funds, whose earnings grow tax-deferred. In 2015, the maximum contribution for traditional or Roth IRAs is $6,500 if you're age 50 or older.

If you're self employed, set up a self-employment retirement plan.
The self-employed can contribute to SEP-IRAs, putting in up to $53,000 in 2015. Two other alternatives are the Solo 401(k), which also has a $53,000 maximum this year, and the SIMPLE IRA, with a $15,500 limit for people 50 and older.

Estimate how much money you'll need in retirement.
A good place to start is the online Ballpark E$timate calculator from the Employee Benefit Research Institute's site, choosetosave.org. Many mutual fund companies also have good retirement calculators on their sites.

Start a money book club or a money-circle discussion group.
A club can force you to read useful books you might never have picked up on your own. A money-circle group lets you and your friends hold regular conversations about finances and help each other.

A Money Intermediate's Checklist

If you've invested in your 401(k) and know a little about taxes and debt, but would like to know more about investing, insurance, estate planning and tax planning, here's your money checklist:

Find a trustworthy financial adviser.
He or she can help answer your questions and lend a sharp eye to your total financial picture. For unbiased guidance, look for a fee-only planner with the Certified Financial Planner designation. You can find one by visiting sites of The National Association of Personal Financial Advisors, The Financial Planning Association and The Certified Financial Planner Board of Standards.

Make a personal retirement plan projection.
Start with The Ballpark E$timate online calculator from the Employee Benefit Research Institute's site, www.choosetosave.org. Many major mutual fund companies also have good retirement calculators on their sites. Two good calculators for people over 50: Retirement Works for You (www.retirementworks2.com) and E$Planner (www.esplanner.com).

Get estimates of your future Social Security and pension benefits.
If you haven't already, set up your "my Social Security account" at www.SocialSecurity.gov for an estimate of your future Social Security benefits and a record of your lifetime earnings history. There are several online services to help you decide when to claim Social Security, including Social Security's retirement estimator, T. Rowe Price's Social Security Benefits Evaluator and AARP's Social Security calculator. The Pension Rights Center [www.PensionRights.org] can answer pension questions free of charge.

Read your Social Security benefit statements.
Paper mailings go out every five years to American workers age 25 and older who haven't registered for Social Security. After 60, printed statements are sent annually. Reading your Social Security statement can remind you how much you need to save for retirement and propel you to begin figuring out when to start claiming Social Security benefits.

Pencil out retirement living costs.
The Bestplaces.net site has a handy calculator to compare locations around the U.S. Think about moving to a smaller home, townhouse or condo. Refinancing your mortgage might also lighten your debt load; use an online refinancing calculator at HSH.com or Bankrate.com and shop for the best rates.

Rebalance your retirement account regularly.
Rebalancing is a strategy for returning your investment portfolio to the mix of stocks and bonds matching your risk tolerance and goals. Your 401(k) plan may offer an auto-rebalancing option. Otherwise, consider using a Robo-adviser — an online money manager such as www.wealthfront.com and www.Betterment.com.

Plan your retirement plan withdrawal rate.
A conservative annual drawdown of your savings is 3 percent in the first year of retirement, plus an annual adjustment for inflation.

Prepare for an encore career.
For advice on a second act that'll provide purpose and a paycheck, go to Encore.org. Three excellent books that can also help you get started: "The Encore Career Handbook: How to Make a Living and a Difference in the Second Half of Life", "Great Jobs for Everyone 50+: Finding Work That Keeps You Happy and Healthy ... And Pays the Bills" and "Second Act Careers: 50+ Ways to Profit From Your Passions During Semi-Retirement".

Write or update your will.
If you die without a will, there's no guarantee who will inherit your assets. What's more, your estate will go into probate, a costly, slow-moving legal process. Hire an estate lawyer to draft your will; if your assets are in the six figures or higher, you probably ought to have a trust as well, to help minimize estate taxes and avoid probate. A trust also offers you greater control over when and how your assets will be distributed.

Update your beneficiaries.
If your beneficiaries are out-of-date, when you die, your assets could go to the wrong person — your ex-spouse, for example. To make sure the money in your 401(k) and other retirement accounts will wind up in the right hands after you die, check to be sure your beneficiary designations are current. Go to the site of the financial services firm where you hold your accounts and update the info online.

Get your financial and estate planning documents together.
Create a file for them: your will (and trusts if you have them); a durable power of attorney form that gives someone the ability to make financial decisions for you if you can't and your end-of life instructions, such as a living will and healthcare power of attorney. Also, include all your credit card and other financial accounts with their numbers and passwords. Store this all in a safe place, but be sure a loved one knows where, for when the time comes.

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EIFFE Prevention Program

The "Elder Investment Fraud and Financial Exploitation Prevention Program" (EIFFE Prevention Program) educates professionals who routinely work with older Americans to recognize when their older clients may be vulnerable to or victims of financial abuse, particularly those patients with mild cognitive impairment, and then to refer these at-risk patients to State Securities Regulators, local adult protective services professionals or for further medical screening.

The EIFFE Prevention Program Medical provides education to medical professionals via continuing medical education (CME) trainings and events. The EIFFE Prevention Program, which was created by the Baylor College of Medicine and funded by a grant from the Investor Protection Trust, is a partnership between IPT, the North American Securities Administrators Association (NASAA) and the National Adult Protective Services Association (NAPSA) in cooperation with leading U.S. medical associations including the American Academy of Family Physicians, the National Area Health Education Center Organization and the National Association of Geriatric Education Centers. Thirty three State Securities Regulators have joined the EIFFE Prevention Program Medical to help protect seniors in their states and jurisdictions from investment fraud.

The EIFFE Prevention Program Legal provides education to lawyers via continuing legal education (CLE) trainings and events. The EIFFE Prevention Program Legal is a collaboration between the IPT, ABA Commission on Law and Aging, Investor Protection Institute (IPI), State Securities Regulators' offices and state bar associations. The EIFFE Prevention P rogram Legal is currently in pilot phase in six states. Once the pilot phase is complete, the program will be rolled out nationwide.

Where to find more free information about investing:

The following booklets from the Kiplinger Washington Editors, Inc., IPT, and IPI are available in public libraries and at www.investorprotection.org and www.iInvest.org.

Five Keys to Investing Success
Make investing a habit
Set exciting goals
Don't take unnecessary risks
Keep time on your side
Diversify

The Basics for Investing in Stocks
Different flavors of stocks
The importance of diversification
How to pick and purchase stocks
Key measures of value and finding growth
When to sell
What's your return?
Consider mutual funds

A Primer for Investing in Bonds
How do bonds work, anyway?
How much does a bond really pay?
How to reduce the risks in bonds
Going the mutual fund route

Mutual Funds and ETFs: Maybe All You'll Ever Need
Mutual funds: The best investment
The different types of funds
How to choose funds and assemble a portfolio
Sources of mutual fund information
Where to buy funds

Getting Help With Your Investments
Do you need a financial adviser?
Who's who among financial advisers
How to choose an adviser
5 questions to ask before you hire an adviser
How to open an account
What can go wrong
How to complain

Maximize Your Retirement Investments
Three key rules
Creating the right investment mix
Guidelines for saving at every life stage
Investing on target
Best places to save
Getting the money out
Creating an income stream
Protect your money: Check out a broker or adviser

Where to Invest Your College Money
The basics of investing for college
Investing in a 529 savings plan
Locking in tuition with a prepaid plan
Other tax-favored ways to save
Tax credits for higher education
Save in your child's name?

About Kerry Hannon

Kerry is a columnist and regular contributor to The New York Times, a contributing writer for Money magazine, AARP's Jobs Expert and Great Jobs columnist, contributing editor and Second Verse columnist at Forbes, and the PBS website NextAvenue.org expert and regular columnist on personal finance and careers for boomer women.

Kerry speaks and writes extensively, and has testified before Congress, about the needs of older workers and the changing workscape, as well as the importance of women taking charge of their own financial planning. Her work explores what women need to do, at all stages of their lives, to prepare themselves for a financially secure future.

Kerry is a fellow of the Columbia Journalism School and the Robert N. Butler Columbia Aging Center's 2015 Age Boom Academy. She is a former Metlife Foundation and New America Media fellow on aging.

In 2006, she developed U.S. News & World Report's "Second Acts" feature — a regular column that looked at people who successfully navigated a complete career change in midlife, their challenges, and their motivations.

She has spent more than two decades covering all aspects of careers, business and personal finance as a columnist, editor, and writer for the nation's leading media companies, including Forbes, Money, U.S. News & World Report, and USA Today. As of January 1, Kerry is a TIAA-CREF's Woman and Retirement expert.

Kerry is also the author of *Getting Started in Estate Planning* (Wiley), *Suddenly Single: Money Skills for Divorcees and Widows* (Wiley), which will soon be released as an updated revised e-book in the spring of 2016, and the *10-Minute Guide to Retirement for Women* (Macmillan).

Kerry lives in Washington, D.C., with her husband, documentary producer and editor, Cliff Hackel, and her Labrador retriever, Zena.

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