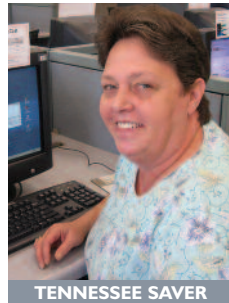


It's Never to Late to Start Saving



TENNESSEE SAVER

At the age of 49, Cindi Roberts is doing a lot of things she never thought were possible—saving money and going back to school. After an injury over ten years ago left her unable to return to her pre-

vious line of work, Cindi had to resort to government assistance to pay her

“Cutting out one thing a day, like a soda, adds up to big savings over a year and you won't even miss it...”

— Cindi Roberts, Tennessee Saver

bills. She received disability payments and food stamps, and was pessimistic about her future. Cindi then learned

about government grants and scholarships, and enrolled at Chattanooga State Technical Community College's information system technology program. She also enrolled in the Managing Money in Tough Times at the Chattanooga State Technical Community College AHEAD program, sponsored by Tennessee Saves, where she began to realize saving money was also possible.

With the knowledge she gained through the AHEAD program, Cindi was able to take control of her money and her life. “After bouncing a few checks in my twenties, I swore off ever having a checking account again,” Roberts said. “But I learned [through the AHEAD program] that having a checking account allows you to monitor your money more closely and track expenses.”

Even on a limited income, she found ways to save. Cindi never realized

how everyday expenses add up. “Cutting out one thing a day, like a soda, adds up to big savings over a year and you won't even miss it,” she said. These days, Cindi not only has a checking account but also a savings account, including a \$500 emergency fund. Her biggest tip for other savers is to set short-term, obtainable goals, like a \$500 emergency fund, and to always pay bills on time. “If you wait to pay your bill past the due date, you're giving them extra money,” she said. ●●●

facts Family Wealth

Percentage of Americans with Emergency Funds

All Households	71%
Young People	63%
Lower-income (under \$25,000)	43%
African-Americans	54%
Hispanic-Americans	65%

Source: Saving for the Future Survey, commissioned by CFA and conducted by Opinion Research Corporation, February 2010.

CAMPAIGNNEWS

America Saves Week 2010

Thousands of government agencies, non-profit organizations, and businesses participated in America Saves Week 2010. America Saves Week, a nationwide campaign coordinated by the American Savings Education Council (ASEC) and America Saves, seeks to promote financial action by encouraging individuals to assess their savings progress and provide new opportunities to save. During this year's Saves Week, more than 40 million people were reached through the media and tens of thousands attended events, opened savings accounts, or took other action to save. ●●●

Highlights:

- The Social Security Administration educated its public on the importance of saving by sending several age-specific mailings that reached millions of Americans.
- The Consumer Federation of America, the Financial Services Roundtable, and the Employee Benefit Research Institute released new data for America Saves Week showing that most low- and moderate-income families don't have emergency savings accounts. The groups announced a commitment to promote automatic saving.

- The American Council of Life Insurers (ACLI) President and CEO Frank Keating reached over sixteen million people through interviews with radio stations. ACLI promoted America Saves Week, and urged all Americans to take the necessary steps to prepare for a financially secure retirement.

For more information on America Saves Week, please visit www.americasavesweek.org

The Only Effective Way to Save

The only effective way to save is automatically. That's because, despite our best intentions, most of us will not find the time to write a check, or make some other payment, to savings each month.

A large majority of Americans agree with this autosaves principle. In a national survey conducted by Opinion Research Corporation this past February, more than four out of five respondents agreed that "the most effective way to build personal savings is to do so automatically by agreeing in advance to transfer funds regularly from a paycheck or checking to savings or investments."

But though most Americans believe in automatic saving, many do not. In the same February survey, less than half said they regularly and automatically transfer funds from their paycheck, and less than one-third said

they make these transfers from checking, while nearly two-fifths said they did neither.

One reason so few save automatically is that many Americans, and most of those with lower incomes, do not have savings accounts. According to widely-used Survey of Consumer Finance data from 2007, more than two-fifths of American families do not have a savings or money market deposit account. That's largely because more than two-thirds of low-income families, and more than one-half of moderate-income families, do not have such an account.

Fortunately, it's never been easier to save automatically. About nine in ten families have a checking and/or savings account at a bank or credit union. And most of these "banked" families have the opportunity to save automatically. Nearly all big banks, and many small ones and credit unions, offer customers the opportunity to automatically transfer funds from checking to savings each month at no cost. Moreover, the Financial Services Roundtable, the main association of large financial services companies, has just committed to encouraging its bank members to promote automatic saving.



Though savings accounts now pay little interest, that should not stop anyone from building up an emergency savings fund of at least \$1,000.

After all, the difference in annual interest earned between 1% and 3% on this \$1,000 is only \$20.

What's far more important is having funds available to pay for unexpected expenditures that other surveys tell us hit the typical family four

to five times a year.

After building this rainy day fund, one can look for higher yields in a certificate of deposit or U.S. Savings Bond, for example. Or one can start saving the down payment on a home, which remains, for low- and middle-income families, the principal source of their net worth. •••



Financial Market

facts

APRIL 2010

Money market account	0.89%
1-year CD	1.38%
5-year CD	2.88%

U.S. Savings Bonds

EE Bond	1.40%
I Bond	1.74%

Mortgage Rates

30-year fixed rate mortgage	5.13%
15-year fixed rate mortgage	4.37%
5-year adjustable mortgage	3.75%

Source: www.savingsbond.gov and www.bankrate.com, May 2, 2010.

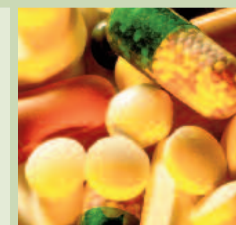
A Quarter Saved... Is a Quarter Earned

No one knows better than Savers how to find the extra dollar here and quarter there that, over time, add up to substantial savings. Here are a few of their favorite savings tips.

To save on medicine and health check-ups, I will sometimes do a research

study. I get a free doctor's evaluation, allergy or flu shot, and compensation for my participation. I put away part of the compensation for savings.

Margaret Haule, Austin, TX



An effective way to save money when shopping is to go to the store with a minimum and maximum amount in mind that you are willing to spend. Staying in between or below the two amounts will position you to save money long-term!

Shakieta Campbell, Washington DC

The price of a single movie ticket ranges from \$7-\$11 per person. Early matinee features are significantly less expensive, \$3-\$5 per ticket. So if you must see a new release, go in the afternoon. Even better, check your local library for DVDs available for checkout. Many library branches stock a wide selection of popular movie titles along with classics and even episodes of television shows.

George Tucker, Fort Lauderdale, FL

I've filled our yard with beautiful flowers for free by taking the surplus others have after thinning out their flowerbeds. My parents gave us some daffodil bulbs from their yard. A coworker thinned out her irises and gave me some. I got some daylilies from someone on Freecycle.org who wanted them removed so he could use the space for a vegetable garden. Also, I get free mulch made from brush and leaf pick-ups from my county's waste management department.

Betsy West Arlington, VA

Each payday, I transfer money automatically from checking to savings just like it was one of my regular bills. I just pretend like the savings account doesn't exist and I budget myself with the money that is left in my checking account. It is amazing how good it makes you feel to watch that little amount transferred each month start to grow.

Tracy Jungen, Sioux Falls, SD

To build an emergency fund, have a small amount (\$10-20) direct deposited into a bank account you rarely use. Most companies will allow you to split your direct deposit into multiple accounts. As little as \$10 is not missed out of a paycheck and nice way to add up a health savings long-term. To avoid temptation, I don't carry an ATM card for my savings account.

Brandon Van Minde, Riverton, UT

Keep canvas bags in your car for shopping trips. Many stores will give you a five cent discount per bag. Using ten bags each week could add up to \$26 a year in savings.

Allie Smith, Vancouver, WA



Send your savings tips to:

American Saver, c/o Consumer Federation of America
1620 Eye St., NW, Suite 200,
Washington, D.C. 20006.

If we select your tip for publication, we will send you a check for \$25 (the initial purchase price of a \$50 EE Savings Bond) and an application for a \$50 EE Savings Bond. We recommend purchasing a savings bond at a local bank or credit union. Please include your name, address, and phone number so we can contact you.

American Saver is the quarterly newsletter of the America Saves campaign, a national program to encourage and assist Americans to save and build wealth more effectively.

The campaign is coordinated by the non-profit Consumer Federation of America (CFA), supported by national foundations, and advised by dozens of non-profit, government, and business groups. A generous grant from Wachovia Bank supports the publication and distribution of the American Saver.

Questions about how to start a local savings campaign in your area should be directed to: Nancy Register, America Saves, c/o CFA, 1620 Eye St., NW, Suite 200 Washington, D.C. 20006; 202-387-6121 (phone); 202-265-7989 (fax); nregister@consumerfed.org.

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NEWS FROM LOCAL CAMPAIGNS

Black America Saves launched the 2010 Savings Tour at Seven Historically Black Colleges and Universities including Howard University, Wiley College, Grambling State University, Tuskegee University, Bennett College, Norfolk State University and Savannah State University. During America Saves Week, Howard University hosted The State of Black America on Savings and Building Wealth. At the National Association for Equal Opportunity in Higher Education NAFEO Conference, held on March 19, 2010, Black America Saves promoted savings among 500 college students during the financial education session.

Central Iowa Saves started the "Great Piggy Bank Savers" pageant for area banks as well as another promotion with the local bus transit company (Get on the Bus with Central Iowa Saves) where savers got free bus tokens for bank deposits. Throughout America Saves Week, presentations were held each day, where dozens of new savers signed up to be Central Iowa Savers. Elementary students were treated to visits from "Ben Franklin" who taught about saving and spending wisely.

Charlotte Saves (NC) recently held its Community Partnership Luncheon to highlight the work of local partner organizations. The campaign recently reached over 8,000 savers.

Cleveland Saves has helped more than 150 Cleveland area residents by hosting a tax site which provided free tax preparation services to low-income individuals and fami-

lies. During the interview process, each tax payer was offered the opportunity to become a Cleveland Saver; enrolled savers were automatically entered to win one of three \$50 gift cards.

Kansas City Saves partnered with local YMCAs for a children's coloring contest. Over 100 children participated and the winners received savings bonds and swim lessons.

Northwoods Saves (WI) has been conducting "Who Wants to be a Millionaire" workshops at the local Middle School. Northwoods Saves signed up 1,247 Savers to date as a result of counseling, workshops and America Saves Week.

Okaloosa Saves (FL) celebrated America Saves Week with workshops, media and an EcoNomic Living Expo which had more than 500 participants. Continuing to promote savings, the campaign will sponsor a "Teaching Children to Save" initiative from April 21 to July 31st.

Utah Saves' financial education message for VITA season this year is Take \$200 – Split Your Refund. The campaign stresses that no matter what your financial situation is, you can take \$200 of your tax refund and set it aside in a savings account. Utah Saves celebrated America Saves Week with activities across the state, including a two hour class on organizing your personal financial notebook, marriage and financial communication classes, and free tickets to "Salt Creek Cinemas" and "Pirate Island" for Savers.

Virginia Saves organized a Financial Fitness event with over 20 partners providing financial literacy and financial advice in a fun

environment with games and activities for all ages. The Financial Planning Association offered free financial planning advice, Junior Achievement hosted children's activities and the South Hampton Roads Earned Income Tax Coalition signed up savers for free tax preparation. The centerpiece of the Fair was the Piggy Bank Pageant where children created their own piggy banks with \$50 savings bonds to the winners provided by Wachovia/Wells Fargo Bank. Over 200 visitors came to the event. Door prizes were provided by Virginia Saves partners and Mall retailers. Sponsorships for the event were received from SunTrust, SmartyPig, Virginia Dominion Power, and First American Funds. Mall partners offered savers discounts on products and services for the day. Savers will receive a quarterly newsletter from Virginia Saves letting them know of local opportunities to increase financial wellness and build wealth for their future.

Peninsula Saves (VA) was recognized for its efforts by noted sports legend and businessman Boo Williams, who endorsed the campaign and submitted an opinion piece published in the Daily Press to promote savings. The campaign hosted more than 80 workshops conducted by group members during February. Over \$55,000 was deposited into Peninsula Saver accounts.

West Virginia Saves has been hosting on-going weekly budgeting workshops for the utility assistance clients of the Catholic Neighborhood Center. All workshop participants become Savers and have the opportunity to win a \$500 savings bond. ●●●

Note: This is not an exhaustive list of the activities of all America Saves sites, but rather a sampling of activities from several of the local campaigns. For a more complete list of America Saves campaigns, be certain to visit our website at www.americasaves.org.

www.AmericaSaves.org

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