



*This month's e-Wealth Coach is Nancy Register. Nancy Register is the national director for the Consumer Federation of America's America Saves Campaign. She has been a national leader in promoting the concept of saving in low and moderate-income families since 1999.*

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## Dear Saver,

It's a new year and the start of the tax season and many of you are taking a hard look at your finances. Saving money and/or reducing debt remain one of the most popular resolutions remain each year. Make 2010 your year for financial action. Even with the recession, you can make changes to improve your financial future by:

- **Start (or add to) an emergency fund.** An [emergency fund is your protection](#) against unexpected expenses. Having an emergency savings fund may be the most important difference between those who manage to stay afloat and those who are sinking financially. That's because maintaining emergency savings of \$500 to \$1,000 allows you to easily meet unexpected financial challenges such as car repair or a medical bill and avoid high interest, short-term loans.
- **Track your spending.** If you're looking for ways to cut back, your first course of action should be to know where your money is currently going. Knowing how you and your family spend money can help identify areas to reduce your spending.
- **Let go of bad habits and bank your savings.** A simple behavior change, like [bringing your lunch to work rather than buying](#), can add up to big savings over time. Find one or two things in your life (i.e. cable television) to cut back on and bank the difference. What you don't see, you will probably not miss.
- **Go automatic!** Treat savings like another bill by setting up automatic monthly transfers at your financial institution from your checking to savings account or having a portion of your paycheck directly deposited into your savings. Savers who save automatically are more likely to be successful long-term.
- **Save all or part of your tax refund.** With [IRS Form 8888](#), you can choose to save all or part of your tax refund.
- **Take advantage of free money at work.** Many employees turn down free money from their employer by not signing up for a [work-related retirement program such as a 401\(k\) plan](#). Savers with a dollar-for-dollar match would likely receive an annual yield of greater than 100% on their investment.

Sincerely,  
Nancy Register  
National Director America Saves, The Consumer Federation of America