



PROFILES IN
LEADERSHIP



Latina Leaders in Finance

A Handbook for Financial Leadership
2005



Financial Success Program

Achieve Freedom, Flexibility, and Independence

The program has been designed using a multi-prong approach consisting of expert financial advice, purposeful curriculum, self-directed experiential learning, and peer-to-peer coaching. At the completion of the program the participants will be armed with new tools to navigate their own financial destiny. The topics that will be covered are:

- **Take Control:** Determine Your Net Worth and Organize Your Financial Documents
- **Living The Life Of Your Dreams:** Define Your Monetary Values and Set Financial Goals
- **Stop Worrying About Money, Start Managing It:** Budgets and Debt Reduction
- **Retirement:** Living The Golden Years With Abundance and Prosperity
- **The Stock Market:** A Powerful Investment Strategy
- **Credit:** Understanding Credit Scores and Reports
- **Real Estate:** Purchasing Your Home and Investing In Real Property
- **Insurance:** Protecting Your Financial Portfolio
- **Children:** Financing College and Teaching Them How To Save Their Money
- **Estate Planning:** Building, Defining, and Protecting Your Financial Legacy
- **Afternoon tea** with participants and sponsors to share stories of transformation and success

The target audience of the program is the Latina professional aged 22 – 35. The program disseminates the curriculum using a variety of methods including e-newsletters, conference calls, and occasionally mailing supplementary materials.



Sohar Quinteros

Participating in the Financial Success Program has been instrumental by improving my understanding of my many options for saving, investing, and retirement planning. Although I have always understood that planning economically for the future is important, two years out of college I didn't know where to begin. Through the Financial Success Program I have learned that it is important that I be proactive instead of reactive when it comes to managing my money. Since the program began, I have set a budget for my self, have diversified my savings strategies, and have even invested in one of my company's real estate developments. I have found the information provided in program to be extremely useful, from learning the best strategies to paying off debt in the second newsletter to the most recent conference call regarding retirement planning. The best part of the program is that the information is so applicable to everyday life. Recently,

I changed jobs. I had been participating in my previous employer's 401(k) plan but currently I am ineligible to participate in my new employer's 401(k) plan for one year. I was not quite sure what to do with my existing 401(k) contributions and I felt uncomfortable about missing one year's worth of retirement savings; I looked to the Financial Success Program for the answer. I decided to open an IRA to accumulate a year's worth retirement savings while I waited for eligibility with my new employer. I opted not to rollover my existing 401(k) contributions into the new IRA because the mutual fund options are better than the ones in my new IRA. I am very grateful to have had the opportunity to participate in the Financial Success Program because I now better understand my many options for managing my money, and although I know I still have a lot to learn I feel excited about the possibilities that lie ahead. Next, I think I might venture into investing in the stock market.

WELCOME

to the fifth annual publication of *HOPE's Profiles in Leadership*, a publication designed to highlight the achievements of Latina leaders and their contributions to our greater society.

It is no secret that Latinas are and will continue to be a demographic force in California and the United States. In fact, by 2050, Latinas are forecasted to comprise nearly one quarter of all women in the United States.¹ This demographic reality has profound implications for our economy. For example, from 1979 to 2002, Latinas gained a 10 percent increase in real earnings.² This increase in earnings can be contributed to a few key factors: 1) Higher paying management and professional occupations are the fastest-growing job categories for Latino/as; 2) Growing educational attainment; and 3) Latino/a entrepreneurship.³

As Latinas continue to enter institutions of higher education, start small businesses, and rise up the professional ranks, personal financial management becomes a critical factor to sustaining wealth and, as a cohort, raising the status of Latinas to a whole new income bracket and therefore, influence.

The proportion of Latino households earning more than \$100,000 increased from 1.5% to 7.2%, while the middle-income bracket (\$35,000 - \$99,000) expanded from 34.2% to 40.7% from 1972 to 2002 in the United States.⁴ Furthermore, data has shown that Latinos are diversifying their portfolios beyond homeownership and increasingly investing in interest-earning accounts, IRAs, and 401(k) plans.⁵

The four women we have profiled in this publication represent the “Latina economic force” in California. They will share with you their insights and some very practical tools you can employ to ensure Latinas are growing the economy and growing in influence.

Meet our women:

- **Cristina Fuentes** is a Senior Financial Advisor and Certified Financial Planner with Ameriprise Financial with nearly 20 years of experience in financial planning serving a diverse array of clients.
- **Julie Stav**, is a registered and licensed stockbroker, is the founder and owner of Retirement Benefit Systems, a financial planning firm and of Julie Stav, Inc., a marketing communications company. Julie hosts a daily national radio show and produces Julie’s “Money Minutes” on Univision Radio Network. In 2004, Julie joined Univision Television Network News as a financial expert and consultant. In addition to her segments on the network’s early morning program “Despierta America ” she appears with the network news team on Sundays to help Spanish-language TV viewers take charge of their financial future.
- **Irma Rodriguez Vargas** is the owner of Tierra Properties, a real estate brokerage firm, and a partner of RST & Associates, a property management company managing over 200 properties throughout the greater Los Angeles region. Rodriguez is the state director of the California Association of Realtors.
- **Linda Caballero Merritt**, is President and CEO of the San Diego Hispanic Chamber of Commerce, a 970 member-strong organization committed to promoting a favorable business climate for emerging businesses, advance economic development, provide fair and equitable access to the market place, and support education and cultural initiatives for the Greater San Diego Hispanic Community.

As our mission statement says, HOPE is committed to economic parity for Latinas to benefit all communities and the status of women. We *HOPE* this year’s edition of *Profiles in Leadership* coupled with this year’s launch of the HOPE Financial Success program brings us a step closer to that reality.

Here’s to your rewarding journey and our shared financial success.

Elmy Bermejo
Chair of the Board

Helen I. Torres
Executive Director & CEO

Eileen V. Miranda
Education Director

¹ HispanTelligence, Hispanic Women in Profile, 2005

² Ibid

³ HispanTelligence, The U.S. Hispanic Economy in Transition: Facts, Figures, and Trends, 2005

⁴ Ibid

⁵ Ibid

TABLE OF CONTENTS:

- 2-3 Financial Foundations
- 4-5 Retirement & Insurance
- 6-7 Navigating the Stock Market
- 8-9 Home Ownership & Credit
- 10-11 Starting a Small Business
- 12 Leadership of HOPE

Financial Foundations

Take Control:

1. Determine Your Net Worth and Organize Your Financial Documents
2. Take Inventory of Your Finances

To change and shape your financial well-being, your first order of business is to determine your baseline by organizing your financial documents and then taking inventory of your financial picture. These two steps are crucial because

they allow you to create a plan of action by giving you quick access to your finances and providing you a starting point from which you will build on. There is a great website that offers free resources www.finishrich.com, you simply need to sign in with your email address and a password. From the homepage select “learn” then select “free worksheets.” This will lead you to “Get organized with our worksheets” and print the pages for step 1, step 2, and step 3. Step 1 will provide detailed instructions of exactly how to

organize your financial documents. Step 2 will help you determine your net worth by using the comprehensive worksheet. Finally, Step 3 will help you determine your cash flow and track your spending.

These three steps will provide you with a clear picture of your financial portfolio. Don't be discouraged by your numbers, remember this is you're your benchmark and you will be in a better place when you look back a year from now.

Living The Life Of Your Dreams:

Define Your Monetary Values and Set Financial Goals

Financial Values

Defining your financial values is a powerful, life-change experience. It will re-shape your financial expenditures and in turn re-shape how you live your life. Once you have determined your financial values creating a budget and sticking to it will become much easier and you will remove all the guilt that occurs when you overspend or splurge or the shame that develops from the inability to pay your bills. It is time to live life to the fullest on YOUR terms anchored by you values because aligning your finances with your values will bring fulfillment, happiness, peace of mind, and prosperity.

“Determine the true purpose of money in your life...once you know this, you can quickly focus your time and energy on what matters most to you...the process is basically a matter of looking really deeply at what is most important to you, and then planning your finances around that.”

David Bach, Finish Rich System

Let's use the example of “family” and “security” to elucidate the point of aligning your spending around your values.

1. If you have children and/or a spouse then securing and paying for a life insurance policy and living trust to provide for your family in the untimely event of your death become a priority and you feel less deprived if you forgo an expensive pair of shoes or a fancy dinner because you know your family will be secure.
2. If you love to take your family on vacation with you, then creating a savings account specifically for this occurrence is no longer an extravagance to feel guilty about, instead it becomes an experience to look forward to. Saving for it rather than placing it on a credit card maintains the security you have established.

How To Determine Your Financial Values

Set aside 15 minutes and start writing all the things you would do if you had unlimited amounts of money. Buy a house, buy a car, travel, donate to charity, never borrow money again, have a retirement fund, etc. Now start grouping like items together to determine your values. Below is a sample list of values.** Do not confuse values with goals. Values are “a principle, standard, or quality considered worthwhile or desirable.” (dictionary.com). Goals are “the purpose toward which an endeavor is directed; an objective” (dictionary.com).

Setting Financial Goals

Now that you have your values in place allow yourself 15 minutes to write your financial goals. Refer frequently to those values to make sure your spending is aligned with your values. Now rank those values in order of importance.

Set aside 20 minutes (five minutes per goal) to make your goals S.M.A.R.T.:

- S – specific** (“save money” versus “save \$5,000 by December 2006 to build my security fund”)
- M – measurable**
- A – attainable**
- R – realistic** (based on your values, salary, and expenses)
- T – time** (give it a deadline)

Work toward accomplishing one goal per month. If it is a large goal, i.e. purchase a house, break it into tasks and achieve one task per week. With steady, diligent progress you will realize tremendous success within one year. You can take that to the bank!

**List of values

Security, freedom, happiness, peace of mind, fun, excitement, power, family, marriage, friends, making a difference, spirituality, independence, growth, creativity, adventure, fulfillment, confidence, balance, love, health, etc. *Smart Couples Finish Rich by David Bach.*

Stop Worrying About Money, Start Managing It:

Budgets and Debt Reduction

Budgets

“Budgets tend to fail when people view them as an awful exercise in deprivation, instead of as a tool to help them stop wasting money on things they don't really want so that they can get the things they do. Once you view your spending plan in this light, it's easier to skip those sales and invitations.”

Liz Pulliam Weston

Budgets are a powerful tool to help you focus your monetary efforts to assist you in accomplishing your goals while allowing

flexibility and fluidity to adjust to life's changes. Identify, with your financial values in-hand, your categories based on the 60% Solution along with your core expenses then automate as much as you can; re-evaluate it once a year or sooner if your financial situation changes. That's it! Budgets do not have to be complicated overbearing exercises in extreme pain. The hardest part will be automating it initially, but when it is done the simplicity and peace of mind will be priceless.

The 60% Solution by Richard Jenkins* is the best “budget” guideline that factors in to its equation all the tried and true financial budget cornerstones. Richard Jenkins’ guideline is to take your gross earnings (before taxes are taken) and divide the categories as follows:

- 10 % Retirement
- 10% Long-term savings (emergency or rainy day money)
- 10% Short-term savings (money you save but will spend by the end of the year, e.g. Christmas)
- 10% Fun money (to spend any way you want)
- 60 % committed expenses (taxes, mortgage, bills, insurance premiums, etc.)

*Read the article for in-depth explanations of the categories and allocations online at <http://moneycentral.msn.com/content/Savinganddebt/Learntobudget/P36153.asp>

Experience has taught me that when something is “a bill” it somehow manages to get paid yet the elusive “I need to start savings” never materializes. Change your ideology by treating retirement, long-term savings, short-term savings, your goals, and fun money as non-negotiable line items in your budget and make them bills. A budget is a framework, create it once a year, automate it, and then adjust it sooner if your financial situation changes, i.e. a raise in salary, an emergency, a windfall, etc.

What if you are nowhere near the percentage suggestions? Start smaller and increase each category by 1% quarterly (every three months) and decrease committed expenses by 4% and in less than 18 months you will have achieved the percentages. Since the changes are gradual you will not feel the pinch.

Debt Reduction

“When you save your money rather than continue spending you buy yourself control. Then you have a say in how you’d like to spend your time.”

Janet Lubrs

As the quote above delineated, saving money buys you control and ultimately influences how you spend your time, therefore other than your mortgage or student loans –which are investments in your security- you want to eliminate all other debt as quickly as possible. How? Let’s suppose you have four debts such as credit cards, loans, that we will label debtor A, debtor B, debtor C, and debtor D. **Here are a few quick steps to reduce your debt:**

1. Start by using your 10% long-term savings amount and cut it in a 1/4 and 3/4 allocation.

Save the 1/4 allocation in the highest interest bearing savings account you can find. For example, if \$500 per month is your long-term savings amount, then save \$125 and pay down debt with \$375.

2. Gather ALL your debt accounts (excluding your mortgage and student loans), in this scenario debtor A, debtor B, debtor C, and debtor D and record the debtor, balance, and interest rate.

3. Call your credit card companies to negotiate lower interest rates. Vie one company with another or use a solicitation you have recently received in the mail from a competitor (0%, 1.99%, 3.99% etc.); be sure to name the company and rate. Or do both.

4. Try and consolidate your high interest rate balances onto the newly negotiated lower interest rate credit card without going over your limit and without opening up new credit accounts.

5. Focus on the debt that has the smallest balance regardless of interest rate: debtor A. Why the smallest balance? So you can feel the sense of accomplishment sooner and keep the momentum going.

6. Use the allocated 3/4 of your 10% long-term savings to quickly payoff debtor A. E.g. the amount is \$375.

7. Pay the minimum due on all the remaining accounts, debtor B, C, and D. E.g. Minimum due: debtor B \$25; debtor C \$55; debtor D \$100.

8. When debtor A is paid off repeat steps #3, 4, 5, 6, 7, 8, and 9 to pay off debtor B.

9. Take the minimum due you normally paid to debtor B (remember debtor A has been paid off and we are working on B) and apply it to the 3/4 allocation (\$25 + \$375). Now you have a larger payment but not more money coming out of your overall budget. Do the same thing when you get to debtor C (\$25 + \$55 + \$375) and then again when you get to debtor D (\$25 + \$55 + \$100 + \$375).

Why save 1/4 of your 10% long-term savings allocation and use the other 3/4 to pay down debt? It’s exactly like dieting, if you restrict yourself and not save or not have the 10% fun money category then you will feel limited and sabotage all your efforts. You will reap far greater rewards saving some, spending some, and paying a good sized chunk to debt.

A special note about student loans.

Contact Sallie Mae immediately and consolidate your student loans with a “Smart Loan Consolidation”, the program offers rates as low as 4.75% with a 1/4 percent reduction if the payment is automatically debited through your checking or savings account. After 48 on-time payments the rate is reduced by two percent. You may even be able to deduct the interest on your taxes, check with your accountant to see if you qualify. Finally, after you pay off all your credit cards focus on paying your student loan next. You can adjust your new payment to equal the payment of the last credit card you just paid off in the scenario above debtor D plus the regular student loan payment you were already making plus 1/2 of the long-term savings allocation. E.g. debtor D (\$25 + \$55 + \$100) plus student loan payment \$150 + \$250 (1/2 of the long-term savings allocation) for a total payment of \$580. This will allow you to pay a sizable chunk and save a sizable chunk.

Armed with your new financial roadmap you will be able to successfully navigate the rough terrain to a brighter financial horizon.

Resources and Recommended Reading

Smart Women Finish Rich, Finish Rich Workbook, by David Bach and visit his website for additional titles at www.finishrich.com

The Latino Journey to Financial Greatness by Louis Barajas

Your Money or Your Life by Joe Dominguez and Vicki Robin

The 60% Solution by Richard Jenkins <http://moneycentral.msn.com/content/Savinganddebt/Learntobudget/P36153.asp>

13 Ways To Live Well On Less <http://moneycentral.msn.com/content/savinganddebt/Savemoney/P90801.asp>

10 Purchases That Save Thousands http://www.winningadvice.com/budgeting.php?cid=moneytips_budgeting_purchases_save_thousands

Save Big On A Tiny Income <http://moneycentral.msn.com/content/Savinganddebt/Savemoney/P132570.asp>

10 Easy Ways To Stash Away Thousands <http://moneycentral.msn.com/content/Savinganddebt/Savemoney/P100247.asp>

www.bankrate.com
www.simpleliving.net
www.yourmoneycounts.com



RETIREMENT & INSURANCE

Cristina Fuentes

Senior Financial Advisor
 Certified Financial Planner
 Ameriprise Financial

1. What motivated you to pursue a career in financial planning?

Originally, I had started my career as a social worker. I wanted to do work that assisted people with changing and improving their lives; I wanted my career to be meaningful. After a few years of social work I completely changed gears and jumped right in to banking. As I mentioned to a co-worker, the finance industry is 80% people skills and 20% finances; I knew I could learn the 20% and I already had the 80% people skills from my social work background. After working in banking I kept noticing a re-occurring theme: not enough women or minorities in positions of leadership. Twenty years ago, I decided to leave banking and begin my practice as a financial planner. As a financial planner my work is very meaningful; I have the great privilege of assisting people with changing and improving their lives.

2. At what point in your life did you realize that the work you do is your destiny?

Shortly after becoming an advisor, I experienced first hand the professional and personal satisfaction of assisting a client with achieving a financial goal. That early experience validated my decision become a financial planner and 20 years later I still feel honored and I derive deep satisfaction from positively affecting people lives.

3. What are you currently working or trying to achieve?

What is your next step? I have recently added legacy planning to my practice: planning for your lifetime and 100 years out and includes charitable gifting, endowments, and foundations.

This type of planning is far more complicated than regular financial planning and involves close work with attorneys, accountants, and the client. Though it is more involved, it is a great opportunity for me to build my skills and services, which in turn benefit my clients.

4. How can other women understand and believe they have the ability to create economic abundance and prosperity in their own lives?

The first step is to be honest with their particular financial situation and take responsibility for changing it or building it. No one is going to step in and fix it or create it for you. Too many times women rely on other people because they are too busy with their career, family responsibilities, etc. You are responsible for your own life and economic well-being. Once you realize this then you have the power to build greater economic success.

5. What are three things you would recommend that Latinas can do to secure or enhance their personal financial well-being?

- a. **Obtain a copy of your credit report**, improve it, and maintain good credit.
- b. **Make savings a habit and start early.**
- c. **Continuously educate yourself**, read publication, hire an advisor, and take responsibility for your financial well-being.

Expert Advice

The Top 10 Ways To Prepare For Retirement*

1. Know your retirement needs. Retirement is expensive. Experts estimate that you'll need about 70% of your pre-retirement income (lower earners, 90% or more) to maintain your standard of living when you stop working. Understand your financial future.

2. Find out about your Social Security benefits. Social Security pays the average retiree about 40% of pre-retirement earnings. Call the Social Security Administration at

(800) 772-1213 for a free Personal Earnings and Benefit Estimate Statement (PEBES).

3. Learn about your employer's pension or profit sharing plan. If your employer offers a plan, check to see what your

benefit is worth. Most employers will provide an individual benefit statement if you request one. Before you change jobs, find out what will happen to your pension. Learn what benefits you may have from previous employment. Find out if you will be entitled to benefits from your spouse's plan. For a free booklet on private pensions, call the U.S. Department of Labor at (202) 219-8776.

4. Contribute to a tax-deferred savings plan. If your employer offers a tax-deferred savings plan, such as a 401(k), sign up and contribute all you can. Your current taxes will be lower, your company may kick in more, and automatic deductions make it easy. Over time, deferral of taxes and compounding of interest make a big difference in the amount of money you will accumulate. (Withdrawals prior to age 59½ may be subject to a 10% penalty tax.)

5. Ask your employer to start a plan. If your employer doesn't offer a retirement plan, suggest that it start one. For information on simplified employee pensions, order Internal Revenue Service Publication 590 by calling (800) 829-3676.

6. Put money into an Individual Retirement Account. You can put \$4,000 a year into an Individual Retirement Account (IRA) and delay paying taxes on investment earnings until retirement age. If you don't have a retirement plan (or are in a plan and earn less than a certain amount), you can also take a tax deduction for your IRA contributions. (Withdrawals prior to age 59½ may be subject to a 10% penalty tax.) IRS Publication 590 contains information about IRAs.

7. Don't touch your savings. Don't dip into your retirement savings. You'll lose principal and interest, and you may lose tax benefits. If you change jobs, roll over your savings directly into an IRA or your new employer's retirement plan.

8. Start now, set goals, and stick to them. Start early. The sooner you start saving, the more time your money has to grow. Put time on your side. Make retirement saving a high priority. Devise a plan, stick to it, and set goals for yourself. Remember, it's never too late to start. Start saving now, whatever your age.

9. Consider basic investment principles. How you save can be as important as how much you save. Inflation and the type of investments you make play important roles in how much you'll have saved at retirement. Know how your pension or savings plan is invested. Financial security and knowledge go hand in hand.

10. Ask questions. These tips should point you in the right direction, but you'll need more information. Talk to your employer, your bank, your union, or a financial advisor. Ask questions and make sure the answers make sense to you. Get practical advice and act now.

Take Time Now.

Protect What Means Most.**

Life is uncertain. Fortunately, you can protect your family from changes that could threaten their financial security.

Start with **life insurance**, which comes in two broad types.

Term life insurance pays only a fixed death benefit.

Permanent life insurance offers a death benefit plus the ability to accumulate a guaranteed cash value.

Health insurance protects your family from health costs in the wake of a serious accident or illness. **Disability insurance** – which many families neglect – can replace part of your income if you are too sick or injured to work.

Home and auto insurance offers money to repair damage that might occur to your house or apartment or your vehicles.

Finally, consider whether you have adequate cash reserves to protect against short-term setbacks or unforeseen costs. We recommend keeping two to six months' worth of living expenses in cash reserves.

Predicting the future is impossible. But together, you and your advisor can put together a plan to help protect your family from whatever life brings your way.

Sources

*American Savings Education Council, (202) 659-0670

**Ameriprise Financial, formerly American Express Financial Advisors. *Getting Ahead Managing The Economy That Means Most: Yours®*, Summer 2004



NAVIGATING THE STOCK MARKET

Julie Stav

Registered and licensed stockbroker
 Founder and owner
 Retirement Benefit Systems
 Julie Stav, Inc.

Julie Stav, a registered and licensed stockbroker, is the founder and owner of Retirement Benefit Systems, a financial planning firm and Julie Stav, Inc., an Educational Communications company, both located in Calabasas, California.

Julie was born in Cuba and at the age of 14 was sent by herself through an orphanage in Mexico City to the United States. She lived with relatives until her parents could join her 2 years later. A commitment to studies enabled her to catch up to her English-speaking classmates, later attending Loyola Marymount University where she received her Bachelor's degree and teaching credentials. She began teaching at an elementary school in Los Angeles, and later trained and monitored teachers in the bilingual programs for the Los Angeles Unified School District.

Julie launched her present career when a divorce left her a single parent and broke. After reading a book about financial planning, she was empowered to study and later acquired a stockbroker's license. She started investing imaginary monies and then proceeded to invest real money. The exercise paid off. Since 1979 Julie has been educating and empowering thousands of people – in English and Spanish – by way of hundreds of financial planning seminars. Now, as a result of her exposure in millions of American homes through her PBS network programs, and numerous television guest appearances on shows such as “The View” on the ABC network, she is educating her audience to take control of their own destiny, organize their finances, and of course plan and invest wisely.

Julie Stav became a household name when she hosted her first show on PBS stations throughout the country, to discuss financial principles from her first # 1 Best-selling book, “Get Your Share”. The English and Spanish language shows met with exceptional reviews and results throughout the PBS Network stations. To introduce her second book, “Fund Your Future” (another New York Times best-seller), she co-produced another PBS special. Stav has continued to participate in numerous television and radio interviews and makes regular appearances on news shows on all the major networks including ABC, NBC, CBS, UNIVISION, CNN, FOX and Telemundo.

For most of 2001 and into part of 2002, the Spanish translation of her book “Get Your Share” was the # 1 selling book in all of Latin America (Amazon.com).

In December 2003, Julie hosted two new PBS specials that again aired in both English and Spanish. The Spanish version of the show was extensively promoted and aired in over 42 of the largest U.S. Hispanic markets.

Her work includes hundreds of speeches and corporate event keynote appearances, on topics such as personal finance, as well as motivational themes and personal empowerment.

Julie is now host of an acclaimed daily national radio show in Spanish, and also produces daily Julie's “Money Minutes”, heard from coast to coast. Both air on the Univision Radio Network. In addition to her own columns, Julie Stav has been featured in numerous magazines and newspapers including the Los Angeles Times, Boston Globe, Miami Herald, La Opinion, as well as cover stories for “On Wall Street” and Hispanic Magazine. Julie has also provided bi-weekly financial content for “Vanidades” magazine, a large circulation Spanish language magazine.

In November, 2004 Univision Communications Inc, the nation's leading Spanish-language media company, announced that Julie joined Univision Television Network News (“Noticiero Univision”) as a financial expert and consultant. In addition to her segments on the network's early morning program “Despierta America ” (Wake Up America), Julie appears with the network news team on Sundays at 6:30pm ET (5:30pm CT) to help Spanish-language TV viewers take charge of their financial future.

For the next part of Julie's multi communications media platform, in the third quarter of 2005 Julie Stav Inc., through an agreement with Editorial Televisa, will launch the Nations first Spanish language personal finance magazine, “Tu Dinero.” “Tu Dinero”, will build on and create synergy with Julie's other media work, in a manner that is culturally attuned to the needs of the fast growing Hispanic community. Her basic mission is to empower individuals from all walks of

life to take charge of their financial future. She has said repeatedly, that with the right tools and a solid community network, anybody can achieve their financial goals regardless of age, debt, ethnicity or income. Julie's expertise in making financial content understandable and her "anyone-can-do-it" approach makes her an excellent resource for all people seeking financial security, especially in today's unpredictable economic climate. She strongly believes that the Latino immigrants' journey does not end once they have taken the last step into the United States, but only then does the real journey begin, that of attaining "The Great American Dream." She is now leading the way.

Julie's energy and message are ready to transform people's lives. Her company Julie Stav Inc., in her own broadcast quality in-house Television studio, has developed product, marketing programs and media properties that target and reach three segments of our society: First time investors, youth and Hispanics.

Expert Advice - ABC's for Making Money in Stocks

If you have my book, *Get Your Share*, here is a great shortcut to find the best companies to buy and buy them at the right time. Follow this list. It will save you a lot of time and possibly make you a lot of money!

- 1) Go to www.juliestav.com. From the Home Page, click on the button labeled "List of Companies".
- 2) Follow the instructions by downloading the small plug-in program (you only have to do this the first time you look at the list)
- 3) Look at the weekly charts for one year for each of the companies listed on the BE A PROFIT menu list by going to www.bigcharts.com.
- 4) Look for: a "cup with handle", "flat base" or "double bottom" pattern in chart (reread the Chapter "Taking the Plunge"). If you don't see it, skip that stock.
- 5) If you identify one of the winning charts, make a note of the pivotal buy point and the average volume for the stock. (You will find the average volume on the BE A PROFIT list)
- 6) You are now looking for TWICE THE AVERAGE VOLUME and REACHING YOUR PIVOT POINT.
- 7) When this happens, BUY!
- 8) Once you buy, calculate 10% of your buying price and be ready to SELL if the share price drops below that level.
- 9) If your stock goes up, don't let it slide past 10% below its highest point.
- 10) Take a look at the market in general. If the market is on an uptrend, put more money into your stock. If the market is sideways or on a downtrend, be more conservative in how much you invest and keep a sharp eye on your stock! Be merciless in making a SELL decision.

Resources and Recommended Reading

In Julie's latest book, *Fund Your Future*, she takes you by the hand and walks you, step by step, in how to set your financial goals and how to achieve them! You will know how to choose the best mutual funds for you and, guess what?...you will be able to have a life too! If you have a 401(k) at work, an IRA or simply want to get out of debt, *Fund Your Future* is for you!

In *Get Your Share*, Julie showed you how to pick the best stocks, when to buy and when to sell... with profits! *Get Your Share* with Julie Stav was a national success when it aired on PBS stations nationwide.

Join the thousands who have discovered the secrets of Wall Street from the teachings of this New York Times Bestseller!

Both books can be purchased online at: www.juliestav.com



Photo: David Young-Wolff

HOME OWNERSHIP & CREDIT

Irma Rodriguez Vargas

Owner
Tierra Properties
Partner
R.S.T. & Associates

1. What motivated you to pursue a career in real estate?

I fell into real estate quite by accident. Directly out of high school I got a part-time job as a receptionist in a real estate office while I attended college full-time to study accounting. At that time, receptionists could not give any information over the phone to clients, let alone potential clients, and many times I was all alone in the office with nothing to say except, "can I take a message or they will call you back." It was rather frustrating! My boss told me that if I earned my real estate license I would be able to provide answers to client's questions as they called in. I am pleased to say that at 18 years old I passed my Real Estate Salesman's License on the first try!

2. At what point in your life did you realize that the work you do is your destiny?

I knew real estate was my destiny when I accidentally fell into my first sale. There was a client who came into the office that wanted to see a listing and since I was the only one in the office and I just got my license I could show it to him. The gentleman liked the house and wanted to write an offer, so I did. I went through the transaction and at the closing I felt a tremendous personal satisfaction with making that buyer happy with his new home. It was a great feeling.

I continued my studies in accounting and my work in real estate; the accounting assisted me in my real estate transactions and was a perfect compliment. With each sale, I experienced that same delight and satisfaction as the first transaction of helping a buyer find a home that brought them happiness. Upon completion of my Bachelor of Science Degree in Accounting, I took many more real estate classes to build my knowledge base.

3. What are you currently working or trying to achieve?

What is your next step? I am very proud of the real estate and property management company I have built from the ground up. Tierra Properties & RST & Assoc, my brokerage & management company, manages over 200 properties throughout greater Los Angeles. Currently, we are searching and trying to groom the next group of leaders to manage the day-to-day responsibilities of the company. Thanks to hard work, diligence, and perseverance I am in the position where I can retire or semi-retire at age 50! Additionally, I can be more selective as to which clients I take on.

4. How can other women understand and believe they have the ability to create economic abundance and prosperity in their own lives?

Women need to demystify financial transactions by talking to others who have gone through the same process of buying a home, investing, etc. By realizing that if your neighbor, colleague, or friend can do it, then so can you. You are no different from them. Ask how they did it, what worked well, and what would they do differently next time.

Fear holds people back; a plan puts the power back in their hands. Make a plan, set a goal, make it realistic, create a timeline, and stick to it. Make certain your plan breaks a long-term goal into smaller short-term tasks. For example, if your goal is to purchase a house, the short-term tasks are check your credit score, research financing options, save a particular amount each month.

5. What are three things you would recommend that Latinas can do to secure or enhance their personal financial well-being?

In addition to make a plan, set a goal, make it realistic, create a timeline, and stick to it, three specific things they can do to purchase a house are:

1. **Pull your credit report and get your credit score.** If it is low, devise a plan to raise it. The report will tell you why your score is low. Change that. Clean it up!
2. **Purchasing power.** The loan plan is very important so find out what your loan options are. There are so many programs available to a buyer today: 0% down, or 3%, or 5%, etc. Start researching to see what you can qualify for based on what you have or don't have.
3. **Finally, AFTER step 1 and 2,** look in neighborhoods that you can afford. Most people make the mistake of looking in neighborhoods first and financing second, in actuality I recommend the other way around. Your first purchase may not necessarily be your dream home but rather a stepping-stone to your dream home. This is your foot in the door. You may not want to live in that first home, but somebody will so rent it out. Each purchase is a step up.

Expert Advice

Basic Checklist To Buy A Home

1. **Obtain a copy of your credit report & credit scores.**
2. **Find a loan agent willing to work with you to:**
 - a. determine how much of a loan you qualify for
 - b. explain different loan options available to you
 - c. explain how different loan options effects your purchasing power
3. **Find a realtor willing to work with you to:**
 - a. determine neighborhoods you can qualify for based on #2 above.
 - b. explain different options which effect your home buying (i.e., condo vs. home)
 - c. show you neighborhoods in your price range.
4. **After completing #1-3, you need to:**
 - a. determine if you can live in the neighborhoods you qualify for
 - b. if not, determine what you need to do to get into the neighborhood you want. Some suggestions include:
 1. rent your new house or condo until it builds equity, then sell it to purchase a house in a more desirable location
 2. improve credit score
 3. save some money for a down payment

Remember: time is money. If you put off a purchase until tomorrow, you will lose the money you could have earned today. Get on the "ride" even if you can't afford to live in what you buy, over time your investment will become a valuable asset.

Credit Reports and Credit Scores*

Your credit report contains your personal financial information along with your credit score. Your credit report may influence a lenders's decision to approve your loan, a landlord to rent to you, an employer to hire you, even an insurance company to insure you.

The most widely used credit score is the FICO® score. Fair Isaac develops FICO scores based solely on information in consumer credit reports maintained by credit reporting agencies. Credit scores are on a scale from 300 to 850; the higher the score, the better the rating.

What makes up your credit score?

- 35% is based on payment history
- 30% is based on amount owed
- 15% is based on length of credit
- 10% is based on accumulation of debt in the last 12 to 18 months
- 10% is based on the mix of loans you have. Auto and mortgage loans are better than credit card debt.

These are general figures. Other variables may apply.

* F&A Federal Credit Union *Hooks and Ladder* August 2005

What Is A Good Credit Score?***

730+	Excellent credit
700 to 729	Good credit
670 to 699	Creditors will investigate
585 to 669	High risk
0 to 584	Rejected by most creditors

***American Consumer Credit Counseling, 2004 FICO Score Rankings

Resources and Recommended Reading

California Association of Realtors website <http://car.org/index.php?id=MTM2Mg> and National Association of Realtors website http://realtor.org/home_buyers_and_sellers/index.html. have excellent basic information about purchasing real estate, as well as links to other organizations and issues.

To get your credit score www.myfico.com

7 Fast Fixes For Your Credit Score <http://moneycentral.msn.com/content/Banking/Yourcreditrating/P116527.asp>

New Threats To Your Credit Score <http://moneycentral.msn.com/content/Banking/Yourcreditrating/P121551.asp>

4 Credit Scoring Myths <http://moneycentral.msn.com/content/Banking/Yourcreditrating/P41876.asp>



STARTING A SMALL BUSINESS

Linda Caballero Merritt

President & CEO

San Diego County Hispanic Chamber of Commerce

1. What motivated you to pursue a career in small business development?

The opportunity to serve in a much needed area of economic empowerment for Latino enterprises.

2. At what point in your life did you realize that the work you do is your destiny?

This realization has come to fruition in recent years, probably because I have always been a problem-solver coupled with a passionate commitment towards community empowerment and collective advancement through public service. The truth is, not knowing much growing up about the opportunities out there and not having access to resources and connections has now manifested as a personal catalyst to activate change. I happen to have that platform and the latitude at this time through my current professional role. In fact, I am passionate at connecting people to resources.

3. What are you currently working or trying to achieve?

A more streamline path for access to the marketplace for small businesses by identifying corporate procurement opportunities for Latino-owned businesses. The Latina Success conference is one vehicle to bring together over 500 Latina entrepreneurs and recent college graduates in an environment where business owners, corporations and other stake holders can convene to make things happen at the economic front at the local level in San Diego.

4. How can other women understand and believe they have the ability to create economic abundance and prosperity in their own lives?

We need to start by believing that anything is possible, that as individuals we have the power to create long term wealth and abundance in our lives but we have to be honest and realistic, not afraid to ask for help and begin to build a truly strong and supportive network around us. At the end of the day...keep a sense of humor and a positive outlook ---and network network network.

5. What are three things you would recommend that Latinas can do to secure or enhance their personal financial well-being?

If knowledge is power...

1. **Get a credit report.** Take stock of current situations by taking inventory of all financial obligations and issues.
2. **Think and plan for the future.** It is critical to develop a realistic financial plan and build a relationship with a banker on a first name basis.
3. **Simplify your life.** Look towards finding a balance... family, spiritual, health, and financial. Remember that they can co-exist but you have to believe you're worthy and not settle for less.

Expert Advice - 10 Key Steps to Starting a Business

There are several key steps to starting a business the steps may vary according to the type of business you intend to start, but the following 10 steps will give you a general idea.

Note: Many of the following steps can be researched and accomplished by first visiting the respective web sites listed, rather than calling or visiting agency offices.

For those business start-ups that do not have access to the Internet, you may visit any of your cities Community Service Centers or Public Libraries and get online.

1. Get Basic Information

Libraries provide significant resource materials, including information on market research, trademark and service marks, how-to books on a variety of businesses and industries, etc. They also offer workshops on patent, trademark and copyright issues.

The U.S. Small Business Administration has a Business Resource Center which provides a one-stop location for free access to a variety of information, education and training designed to help entrepreneurs start, operate and grow their business. In addition, there is on-site free counseling provided by the Service Corps of Retired Executives (SCORE).

The SBA is a very strong advocate for women entrepreneurs and offers many programs and services to help them succeed. The following resources offer unique opportunities and guidance for women entrepreneurs.
www.sbaonline.sba.gov/financing/special/women.html
www.womensbusinesscenter.org • www.wbdc.org
www.onlinewbc.gov • www.womenbiz.org
www.nfwbo.org • www.nwbc.gov

2. Create a Business Plan

A business plan is like a roadmap; it shows you where you are in relation to where you want to

be. Whether you believe in a business plan or not, starting a business involves many ideas that need to be documented and actions that need to be taken. Many businesses fail without a business plan, and furthermore, banks require one prior to being considered for a loan.

Before you begin writing your business plan, consider four core questions:

- What service or product does your business provide and what needs does it fill?
- Who are the potential customers for your product or service and why will they purchase it from you?
- How will you reach your potential customers?
- Where will you get the financial resources to start your business?

Women's Business Centers (WBCs) represent a national network of more than 80 educational centers designed to assist women start and grow small businesses. WBCs operate with the mis-

sion to level the playing field for women entrepreneurs, who still face unique obstacles in the world of business.

In southern California, the Women's Business Center of California (WBCC) located at National University, educates, mentors and cultivates entrepreneurial women of socially and economically diverse backgrounds for business success. The WBCC provides the tools to create self-sufficiency and prosperity. Major areas of emphasis include emerging businesses, established business expansion and technology training.

3. Determine a Business Name

The name you choose for your business is very important. If the name you choose is your own legal surname and a one-word description (such as John Smith Roofing) then you are not required to register a fictitious business name. If you choose a business name that does not meet these parameters (such as JS Expert Roofing) and your business is not registered with the state then state law requires you to file a fictitious business name statement with the local County entity. Please note that this statement does not protect the business name.

4. Determine the Legal Structure of the Business

Several legal structures exist in the state of California. Your choice of legal structure will affect your income taxes and personal liability. Most businesses start as a Sole Proprietorship or a General Partnership and are generally the least complicated. Limited Partnerships, Limited Liability Partnerships, Corporations and Limited Liability Companies must register with the Secretary of State. You are strongly advised to contact your own accountant or attorney for advice and assistance in determining the best legal structure for you and your business.

California Business Portal

(916) 324-6769

website: www.ss.ca.gov/business/business.htm

IRS'S Technical Services Division

(800) 829-1040 website: www.irs.treas.gov

5. Determine the Business Activity Type

There is a classification system for business activity types which identifies a business activity and determines many of the start-up requirements and where the business can be located.

Determine the general business activity type from the list below.

The same list is also provided with the Business Tax Certificate application.

6. Select a Site and Determine Zoning and Site Permit Requirements

Determining zoning requirements prior to signing a lease or contract is imperative. You must check with the City to see if the type of business you plan to operate is legal in the desired location. You can usually receive same day information on the status of your location if you have the proposed business address and a description of the business when you contact: City's Development Services Department. If operating from home, you must follow the requirements for Home Occupations. You can obtain this information by contacting: Neighborhood Code Compliance

7. Obtain Any Special Licenses and Permits

The business activity type chosen determines the licenses and permits needed to operate a business legally. Some of the key contacts are listed below. The CalGOLD database provides detailed information on the business permit, license and registration requirements from all levels of government. The information includes a description of the requirement, the name, address, and telephone number of the agency, and frequently, a direct link to that agency's Internet web pages. The information identified is specific to the type of business and its location in California. CalGOLD (916) 322-7394 website: www.calgold.ca.gov

For a list of more than 200 regulated Occupations and Professional Services, contact: State Department of Consumer Affairs (800) 952-5210 website: www.dca.ca.gov

Businesses selling tangible personal property in the state of California must apply for Seller's Permit/Resale Number

Businesses engaged in selling goods by weight or volume must register the devices with the County Agriculture, Weights and Measures Office. Permits must usually be obtained by: import/export businesses, agricultural-related production, and businesses using pesticides.

8. Get Tax Information

Several types of taxes may be levied on businesses including income tax, employment tax and the City's Business Tax.

For City tax information contact:

California Tax Information Center website: www.taxes.ca.gov

For a copy of "Striking Gold in California", this outlines state taxes for businesses, contact: State Board of Equalization (800) 400-7115 website: www.taxes.ca.gov/doingbus.html For federal tax information and a copy of the "Small Business Resource Guide" an invaluable tool to help business owners understand the basics contact: Internal Revenue Service (800) 829-1040 website: www.irs.treas.gov

9. Employer Responsibilities

A whole new set of responsibilities arises when a business hires employees. Employers must register as an employer and obtain a federal Employer Identification Number (EIN), pay additional taxes, withhold, match and submit employee withholdings, must obtain worker's compensation insurance and adhere to employee eligibility regulations.

The EIN, also known as a Federal Tax Identification Number, is a nine-digit number that the IRS assigns to business entities. The IRS uses this number to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, non-profit organizations, trusts and estates, government agencies, certain individuals and other business entities. Federal Employer ID numbers can be obtained by completing form SS-4, on-line or calling:

Internal Revenue Service (800) 829-4933 website: www.irs.gov/businesses/small/article/0,,id=102767,00.html

Get information on state requirements, taxes and services for employers by contacting: Employment Development Department: website: www.edd.ca.gov/employer.htm

10. Apply for a Business Tax Certificate (License)

Home-based businesses, self employed persons and independent contractors are required to have a business tax certificate. The applications can be obtained and filed at the City Treasurer's Office, Business Tax Division

Resources and Recommended Reading

U.S. Federal Government Resources
The federal government provides a host of pertinent information and services to small businesses, including consulting services, tax information, export information and wage and hour information.

Internal Revenue Service
Information: (800) 829-1040
Forms & Publications:
(800) 829-3676
www.irs.treas.gov

Export Information
Department of Commerce
www.doc.gov

Import & Customs
Bureau of Customs & Border
Protection
www.customs.treas.gov

Wage & Hour Information
U.S. Department of Labor
www.dol.gov

Social Security Administration
Tel: (800) 772-1213
www.ssa.gov

Internet Business
Mail or Telephone Order Business
Federal Trade Commission
1-877-382-4357
www.ftc.gov

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VISION

Latinas inspiring, empowering, and engaging leadership to strengthen all communities.

MISSION

HOPE is a nonprofit, nonpartisan organization committed to ensuring political and economic parity for Latinas through leadership, advocacy, and education to the benefit of all communities and the status of women.

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