

CAAB's newsletter is designed to ensure that our IDA/MDA Savers are fully informed about relevant money management topics, effective savings strategies, financial education opportunities in the DC area, and upcoming CAAB events. Every month, we will feature a different article focusing on strategies or products that can help you plan for and achieve your savings goals.

## The Real Cost to "Be Your Own Boss"

By Emily Appel

Work at home! Be your own boss! Earn \$5,000 a month!

Every day, you're probably bombarded with offers like this – get rich quick schemes and loopholes in the system that claim to earn you big bucks. Most of them you easily recognize as too good to be true, but some may catch you off guard. When you're out of a job, you'd give almost anything a try to get a few bucks in your pocket. But fraudulent offers won't just NOT help you make money; they'll actually leave you poorer in the process.

How do you evaluate opportunities that are offered to you? Simply put, it takes work – work to investigate, and then work to fulfill the promise. As any successful small business owner can tell you, it is possible to 'be your own boss' but it takes guts, sweat, and smarts to get your business to succeed. Anything less, and it could be a scam.

According to the Federal Trade Commission, there are signs that can warn you if an advertised business opportunity may be a scam:

### What type of business opportunity is being advertised?

Fraud is most often associated with vending machine, display rack, pay phone, medical

billing, work-at-home, and some Internet-related business opportunities.

### Where is the opportunity being advertised?

Promotions for fraudulent business opportunities often appear in the classified pages



of daily and weekly newspapers and magazines, and online. They also may be marketed in television infomercials and commercials.

### What are the ads offering you?

Ads that offer large pay (say, \$160,000 a year) in a short period (weeks or months) for little effort, or that trumpet an ideal work situation—the ability to set your own hours, be your own boss, and work from home—could be warning signs of something that's too good to be true.

The good news is that there are powerful laws protecting your rights as a consumer. If the business opportunity costs more than \$500, the FTC Franchise Rule requires business opportunity promoters to give you

information – in writing – about what previous purchasers are earning (and if that represents what they're all earning, most are earning, or only 1 or 2 are earning). If the investment to get in is less than \$500, you can still ask the promoter for this information, and a reputable firm would be able to provide it. In addition, a trustworthy promoter should give you the contact information of some of these previous purchasers, for you to talk to about their experience with the promoter and in the business. This is all part of the research – the work – that you should put in before making any investment.

If you've already bought into a business opportunity and it's turned out to be less than what it promised to be, there are agencies within the District government to help you and prevent others from falling into the same trap. These agencies are the DC Department of Consumer and Regulatory Affairs (202-442-4400, <http://dcra.dc.gov>) and the Office of the Attorney General (202-442-9828, <http://oag.dc.gov>).

If you have a great idea and think you have what it takes to start your own business, there are places that offer help to get you get started. One of them is the Howard University Center for Urban Progress Business

### CONGRATULATIONS!

The following savers made asset purchases in the month of February:

#### Home

Tocarra Gates  
Corina Lopez

#### Education

Nebiat Fekade  
Danielle Simmons  
Tewolde Tesfagabir

#### Small Business

Bernardo Figueroa  
Joyce Little

Development Division, located at the Reeves Center at 2000 14th St NW, Suite 330 North (to set up an appointment call 202-671-2828). There, you can meet one-on-one with an experienced business counselor to develop your business idea, write a business plan, and get connected to free legal or accounting help that you may need. The Business Development Division also works with existing businesses looking to expand or improve operations.

### Don't forget to get your taxes done for free!

The DC Earned Income Tax Credit (DC EITC) Campaign offers free tax preparation services at various sites around the city. Staffed by trained and IRS-certified volunteers, these sites can file your tax return electronically, meaning you'll get your refund fast! Visit [www.dceitc.org](http://www.dceitc.org) to find a site near you or call 202-419-1442 for more information about the Campaign.

## UPCOMING EVENTS & ANNOUNCEMENTS

# Financial Fair at THEARC

Saturday, April 5  
10 a.m. - 2 p.m.

Boys and Girls Club  
1901 Mississippi Ave SE\*  
Washington, DC 20002

### TAKE CONTROL OF YOUR FUTURE AT A FREE FINANCIAL LITERACY FAIR!

- Receive a **free credit report** and meet one-on-one with a credit counselor and a financial planner.
- **File your Taxes** for FREE!
- Bring the kids to learn how to "Make Savings a Habit with Sammy the Rabbit!"
- And much more!

Register today: **202-419-1440**, [dcsaves@caab.org](mailto:dcsaves@caab.org). Free parking available or take Metro to Southern Ave.

### Money Management Classes at CAAB

at 1801 K St NW, Suite M100 (Farragut West & Farragut North metro stops)

#### New round of Money Management classes starts this month.

(Free) Complete your financial education requirements for the IDA or MDA program and meet other people saving towards their life goals just like you. Saturdays, March 22 through May 3, 10 a.m. - 12 p.m.

- March 22 Creating wealth, setting financial goals, and tracking expenses
- March 29 Budgeting
- April 12 Understanding Credit
- April 19 Knowing Your Rights
- April 26 Financial Institutions and Products
- May 3 Optional Class, topic TBA

### Academy of HOPE Registration for Spring Term

at 601 Edgewood Street, NE (Rhode Island Avenue & Brookland-CUA Metro stops on the red line)

Academy of HOPE provides Adult Basic Education and GED-preparation classes, the External Diploma Program, and computer skills classes. Classes begin Tuesday, March 25. For more information or to register, call Patricia DeFerrari at 202-269-6623

#### ABE-GED Classes

Classes held Monday-Thursday, Morning, Afternoon, and Evening

#### Computer Classes

Classes held twice a week, 9-11 a.m. and 6:30-8:30 p.m.



### Free Construction Training for Women

Goodwill is offering a FREE 8-week pre-apprenticeship construction training program to women residing in Wards 7, 8, and Prince George's County.

**Learn:** Construction Management, Construction Math, Basic Blueprint Reading, Money Management, Resume Writing, Interviewing Skills and more! **For more information or to register, contact Martin Burks at 202-715-2627.**



### Savers Terminology

One of the terms you may hear thrown around this tax season is **Individual Retirement Account (IRA)**. What exactly is an IRA? An IRA is an investment account which encourages working people to save for retirement. It is a tax deferred account which means you don't owe income tax on the earnings until you withdraw the money. You may also get a break on your 2007 taxes if you contribute to your IRA by April 15. If you don't already have one, you may want to consider taking advantage of this great opportunity to save for your retirement. For more information on how to open up an IRA, go to [www.fool.com/60second/ira.htm](http://www.fool.com/60second/ira.htm).

### Don't Miss Out on Your Stimulus Rebate Check!

Even if you are not required to file a tax return for the 2007 tax year, **you might be eligible to receive \$300-600** from the government through the recent Economic Stimulus legislation. If you are a US citizen or resident alien and earned \$3,000 or more through social security, disability, veteran's benefits, railroad pension or wages in 2007 and are not claimed as a dependent on someone else's return, you are most likely eligible for the rebate. **You will only receive the check, however, if you file a tax return.** Free help filing the return is available through the DC EITC Campaign. If you are not otherwise required to file your taxes, but think you might be eligible for the rebate check, come to one of our Super Stimulus Days at the Martin Luther King Jr Library (901 G St NW, Rooms A-9 and A-10) on: **Monday, March 31** and **April 7**, from **4:30-8:00 p.m.**, or **Saturday, April 19**, from **10 a.m.-1p.m.** Bring all of your tax statements, your social security card, and identification. Don't lose out on the money that's owed to you.

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