

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.

### Saving for a Rainy Day

by Brenda Estrella

What would you do if you lost your job tomorrow? Would you be able to take a step back, assess your situation, and start looking for a job that would suit your needs, knowing that the search may take several months? Or, if you're like most people, would you slip into panic mode, try to find any job within your skill set as soon as possible because, let's face it, bills need to be paid? How about if a fire swept through your home? Would you be able to tough it out in a rental for several weeks until you found permanent living arrangements? Or could you be at risk of becoming homeless? Questions like these are important to ask yourself because the answers determine whether or not you are prepared to meet the minimum monetary requirements to survive an emergency.

expenses in case of emergencies. The key word in the previous sentence is EXPENSES. If you haven't already drafted a budget for yourself, then take an hour or



two of your time to sit down and write down absolutely everything you spend money on, including bills, rent, entertainment, food, clothing, and discretionary expenses. Once you have a complete picture of how much you really spend in one month, you should multiply that number by three – the total is the minimum amount of money you should have in your “rainy day fund”.

One important thing to remember is that multiplying your expenses by three is just a rule of thumb that should be adjusted according to your fiscal responsibilities and familial obligations. If person A has kids and person B is single, and both have otherwise comparable debt obligations and equal expenses, person A may

want to save at least six months of expenses in order to have a secure cushion for his or her family and any unexpected costs.

Remember, if you have no money saved yet for emergencies, start today. All it takes is opening a separate savings account and making regular deposits (as mentioned in last month's article, you can visit [www.dcsaves.org](http://www.dcsaves.org) for information on DC Saves' starter savings accounts with no monthly minimum balance or monthly maintenance fees). If you put away \$5 each day and deposit it on a weekly basis, you'll have \$840 saved in six months. Ideally, you'll want to save more money than that, at a much quicker pace, but even if you can't start big, the important thing is to START—you can always increase the amount a little later. The end result is the same—you are paying yourself to ensure that you'll be ready for that rainy day!

### CONGRATULATIONS!

The following savers have made asset purchases in the month of April. Will you be next?

**Melida Chacon**  
Homeownership

**Joseph Dames**  
Homeownership

**Xavier Justice**  
Microenterprise

**Tosha Link**  
Microenterprise

**German and Elsy Ramos**  
Homeownership

**Janet Obi-Rapu**  
Education

**Kairo Vivas**  
Education

### Don't forget . . .

**CAAB's Money Management 101 Series**  
**starts again on May 19**

ALL CLASSES ARE ON SATURDAYS

FROM 10 AM to 12 NOON

- May 19
- May 26
- June 2
- June 9
- June 16
- June 23

Please call (202) 419-1443 to register for classes.

Guidelines provided by personal finance resources recommend that you save enough money to cover at least three months of

# UPCOMING EVENTS

**CENTER FOR  
ENTREPRENEURSHIP AT  
SOUTHEASTERN UNIVERSITY**  
May 2007 Calendar of Events

## SEMINARS

### Money Matters

**Cost: \$35**

**Wednesday, May 23, 6:30 - 8:30 pm**

*Sponsor: Housing Counseling Services*

Location: SEU, 501 Street, SW

Metro: Waterfront SEU

## **CERTIFICATE IN ENTREPRENEURSHIP**

### Sales and Advertising

**Cost: \$150** □

**May 8, 15, 22, and 29**

Location: SunTrust Bank,

1445 New York Avenue, NW

Metro: McPherson Square

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## **FREE Wills Clinic every third Saturday of the month.**

**10:00 a.m. - 2:00 p.m.**

**HCS Training Center**

Location: 2410 17th Street NW  
Suite 100 (Adams Alley)

*Sponsored by Housing Counseling Services and  
The Neighborhood Legal Services Program.*

For screening and appointment you must  
call 202-682-2700 x 124 and speak with  
William Conti.

Appointments only, NO walk-ins.  
**ATTENTION WOMEN!!!!**

## **Property Management Certificate Scholarships**

The Certificate in Property Management is part of the Center for Entrepreneurship's Workforce Development Program. This program was established to develop the skills of individuals seeking to improve their job performance or general understanding of a topic

**The Washington Area Women's  
Foundation is providing  
FULL SCHOLARSHIPS  
for 30 low-income females.**

To apply you **MUST** meet the  
following *Requirements*:

- Live in Washington, DC in Wards 6, 7 or 8, Prince George's County, or Montgomery County
- Income is between \$15,000 and \$35,000 per year

via seminars, clinics, short and certificate level courses. These specialized programs are designed based on the demand for skills needed in the job market place within specific industries.

The **Property Management Certificate** is an eight-month long practical Program that will enable the students to obtain a job in the administrative and managerial side of the Property Management sector. The Certificate will offer the following classes: *Fundamentals in Property Management, Marketing and Customer Service, Property Contracts and Leases, Financial Management, Budgeting and Accounting, Business Communications,*

*Technology Modules (Word and Excel).*

## **HOW TO APPLY:**

**Scholarship applications are due June 8**

Provide the following:

- a) Ward/County information, b) Annual Income and c) Contact information.

Submit a one-page statement answering the following questions, (one paragraph per question):

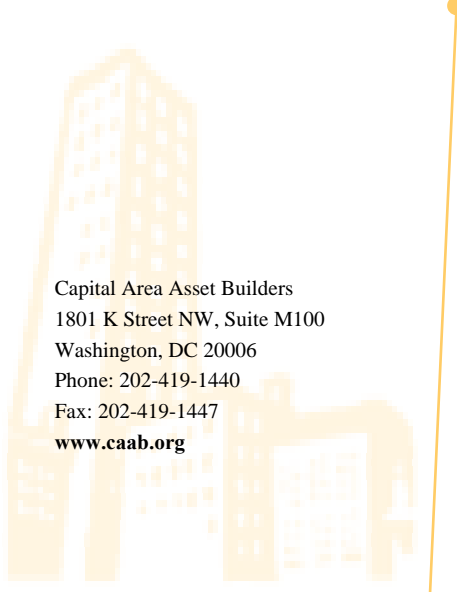
1. Why are you interested in taking this Certificate Program?
2. How are you going to benefit from this program?
3. If awarded this scholarship, how will this program impact your future?

## **CAAB CORNER**

If you decide to use your matched savings account for qualified small business purchases, then you might want to consider using your funds to attain the knowledge and skills you will need in order to start up and maintain a successful business.

CAAB requires that you submit a business plan before you can use your funds for small business purchases. To learn more about how to develop a business plan, you can look for resources online, in the library, in newspapers and through educational institutions.

Although many of these resources are free (like workbooks and one day sessions), many people prefer paying for a course or workshop series. You can use your IDA or MDA funds to take these type of business training classes. Generally speaking, these classes tend to go more in-depth and can provide a forum for people to ask specific questions and to clarify different concepts. In addition to creating your own business plan at the end of the course, you are able to point out the potential weaknesses of your plan and can create a strategy to address those issues. In the end, what's most important for success is your ability to handle potential challenges and your matched savings funds can be used to pay for coursework to help you prepare.



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