

Secrets to being smart with money

There are many things that separate women from men, and the way we need to think about finances is definitely one of them. Follow the lead of financial expert Nicole Lapin to live a full secure life well into your 90s.

ON AVERAGE IN THE U.S., women live five years longer than men. Empowering, right? But it means that as women, we can't treat our finances exactly as men treat theirs. So let's talk about what it takes to maximize our money for the long term. That way, you can retire worry-free—and you deserve it. Here are the things to think about and do ASAP.



INVEST EARLY, BECAUSE YOU NEED MORE ✓

■ **After retirement, women may still have three decades to enjoy their lives**, so you need to make the most of your paycheck now. Ideally as soon as you accepted your first job, you enrolled in your company's 401(k), if it matched your contributions, or opened your own Roth IRA. The longer you stay invested, the more you'll accrue compound interest, which means you make money on what you earn as well as on your original deposit. Many of us—for tons of reasons—are coming late to the game, but that's OK: There's still time to benefit from years of interest. I was on a panel with Jenine Garrellick, senior managing director at MFS Investment Management, and she reminded me that if you find even an additional \$100 a month to put away (that could be less than your Starbucks habit!), then in 30 years that could become more than \$100,000. Whatever your age, it's satisfying to watch your money snowball.

NEVER TAKE YOUR EYE OFF THE BALL ✓

■ **Having more years to grow your investments sounds great**, but there is one caveat I've got to be realistic about: A longer life span means many more opportunities for things to go wrong with your finances due to issues like job loss, divorce, infertility, and disability. It's crucial to have more than one plan for your money. "Life will throw curveballs that could completely knock you off the path you thought you'd be on," Garrellick says. That's why it's a great idea to have regular financial checkups. Discuss your long-term plans with a financial advisor; she can help you stay on track and develop backup strategies too. Even if your spouse is a financial whiz, don't be passive—you've still got to know what's coming in and going out each month, what your account passwords are, and where the money is invested. "It's so important to learn about your money," Garrellick agrees. "Do not think, *Someone's going to take care of it*. At some point it will fall to you."

LOOK AFTER YOURSELF FIRST ✓

■ **Women will spend an average of 12 years out of the workforce** raising children or caring for older relatives or friends. Even if we find a way to afford to do this important (unpaid!) work, we have to continue growing our money. "These childbearing years are the best time to be contributing to your 401(k) and having the advantage of compounding interest," Garrellick says. So if you aren't making a steady paycheck, look into opening an IRA or a spousal IRA, and contribute in whatever way you can. This is so key. Ultimately, taking care of your own financial future will let you better serve your kids, partner, or aging parents. You can't help others unless you help yourself first. Remember that when it comes to money, and you'll live a long, *rich* life.

Nicole Lapin is the author of *Boss Bitch: A Simple 12-Step Plan to Take Charge of Your Career* and is one of the stars of the nationally syndicated show *Hatched*.