



Making the Most of Your Money

Consumer Credit Counseling Service of Central Oklahoma

CCCS of Central OK is a non-profit credit counseling agency that has been serving Oklahomans since 1967 with financial counseling and education. We are working with the Oklahoma Department of Consumer Credit to provide ongoing education to payday loan borrowers, as well as the general public. For more information about CCCS call us at (405) 789-2227 or 1-800-364-2227 www.cccsok.org

Til Debt Do You Part

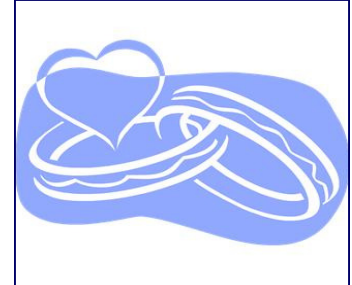
While couples may spend more than a year planning every detail of their dream wedding, they may spend far less time actually preparing for the marriage itself. After the last rose petal falls at the wedding reception, real life begins and unfortunately many couples find themselves unprepared to deal with their money differences. While they may have discussed the color of the wedding flowers, they may not have talked about their attitudes when it comes to managing money. With financial issues being cited as one of the leading causes of divorce, it's important to learn to compromise. When planning to get married, a conversation about money is vital to encourage open communication about this sometimes controversial topic. If couples have already said "I do" and money is an issue, it's never too late to start better financial habits. Depending on how each person was raised, values vary widely when it comes to money. First, it's important to identify each other's attitude when it comes to finances. If couples are conscious of differences in attitudes toward money, it will be easier to foresee any challenges that may lie ahead.

If a conflict is likely to arise about a certain financial scenario, it will be much smoother if it can be dealt with before emotions are out of control.

If one spouse likes to save money while the other prefers to spend it, this is likely to cause a conflict at some point. If one spouse is very open about finances while the other thinks it should be private, this could cause issues. If one partner is opposed to credit card debt while the other assumes that they will always carry a balance, this may be a point of contention.

Once couples have identified each other's tendencies when it comes to money, it will be easier to talk about how to handle the finances together. Compromise is the key. It is a safe bet that money will be an issue at some point in every marriage. If couples are aware of major differences, it will be easier to deal with conflict when it arises. Here are the steps to take to get started:

- **Discuss your financial attitudes, goals and values.** Be honest and let your spouse know how you feel about money. Don't tell



them what you think they want to hear. Be honest! Find areas where you differ and figure out how you will deal with conflicts. If you discover how you will compromise ahead of time, it will diffuse the situation when you may be arguing and emotions are running high.

- **Review each other's income and employment patterns.** Decide if you will discuss any job changes with each other.
- **Review each other's credit reports.** Be aware of past issues, work to repay any outstanding debts and start building a positive credit history together.
- **Develop goals and a timeline for major purchases:** One person may plan to buy a new car every couple of years while the other will drive a car until the wheels fall off. Talk about when you will purchase these items and compromise if you have different opinions.

Q&A



In order to begin open communication about money, try to answer some of these questions yourself and then ask your significant other. Then compare your answers.

How did your parents handle money? Did one of them handle the finances or did they share the responsibility? Did they disagree about money?

How do you feel about debt? How much debt are

you comfortable with: 1) none, 2) car and house only, or 3) car, house and consumer debt? Should we have credit cards or not? Do you live on a budget? If we worked together, would you be open to trying that?

Do you have money in savings? How much of your income do you plan to save? What is the lowest amount you are comfortable having in a savings account?

Do you ever spend money when you shouldn't? How disciplined are you when it comes to buying things you want? Do you buy them on credit or save for them?

“Managing the finances should not be a one person job.”



Even if you plan ahead, conflicts will still inevitably come up. Here are a few money tips to help minimize the disagreements:

- **Put together a written budget** that you can live with and stick to.
- **Consider setting up an “extra money” allowance.** Once you are sure of what your take home pay will be and your budget, you should be able to identify how much spending money will be left over each month. Decide on a comfortable amount and split it evenly. Let your spouse do whatever she wants with her spending money. This can resolve the fighting about how you each spend or save money.
- **Separate accounts:** Consider having one joint account for household expenses and also consider keeping a separate account each. Decide how much

each party will contribute to the household account. This may be a percentage of each person’s income. If he brings in 60% of the household income, he may contribute 60% of the household expenses, for example.

- **Stick to the facts:** Keep emotions out of it and discuss facts and figures instead.

- **Avoid pointing the finger:** If both spouses are spenders, sometimes it can become a contest of who can spend the most. If he buys an expensive stereo, she may feel justified to go on a shopping spree, just to get back at him. Couples must realize that this type of competition overspending is just causing more problems. If one person makes an impulse purchase that breaks the budget, learn from it and move on. An entire household loses when resorting to spending out of

revenge.

- **Share the work:** Divide financial responsibilities evenly so that neither person feels that he/she is shouldering the entire burden. Managing the finances should not be a one-person job.
- **Seek budgeting advice:** If couples find themselves at an impasse when it comes to money matters, discuss the situation with a credit or financial counselor. A counselor should be able to walk you through the budgeting process and help diffuse any emotional issues. CCCS of Central Oklahoma is the only local, non-profit credit counseling agency in the Oklahoma City area. They can be reached at (405)789-2227 or www.ccsok.org.