The Importance of Working Together

Managing our personal finances (which involves managing our money in order to reach our goals and fulfill the financial vision we’ve set for our lives) is hard. Let’s not kid ourselves. However, that doesn’t mean impossible or that it’s not worth our effort. It most certainly is.

Our efforts are even more important when we throw in another adult or children to the mix. Managing hundreds or thousands of dollars in one household with two decision-making adults with varying ideas of how to do so can be a recipe for disaster. Often, such scenarios turn spouses into adversaries, leading to arguments and, in extreme cases, divorce.

However, with just a few minor additions to this recipe, the disaster can not only be averted but turned into an opportunity for greater teamwork and fulfillment.

The Financial Huddle

There’s more to financial success in a marriage than communication. There are many spouses who communicate their stance on money loud and clear... just not in a positive manner. However, if you add the dimension of a shared, mutually-agreed upon financial vision and its corresponding goals, communication becomes less an argument and more an opportunity to work supportively with each other.

Even if you’re not married or don’t have another adult in the household that is involved in the finances, you should still hold a regularly scheduled huddle.

Finding a regular day and time to hold your huddle is critical. If you can make it a habit, you’ll find the huddle to be of even greater help in achieving your financial vision. Fill out the following form to establish your weekly financial huddle schedule.

My/Our Financial Huddle Schedule:

Day of Week: ______________________  Time of Day: __________ AM/PM
Weekly Financial Huddle Checklist & Commitment

By signing below, I commit to myself (and to my spouse, if I’m married) that I will have a weekly Financial Huddle in order to review the following:

- Set your written (or pictorial) financial vision and goals in a spot where you can see them. Any changes to my/our long-term financial vision or short-term goals (less than $1,000 and less than 12 months away);
- Balance your checking account (even if you use only debit cards) to determine our current available money in cash and in the bank;
- Look ahead through the next 7-14 days to determine what expenses you will have (savings transfers, investments, bills needing to be paid, groceries, gasoline, loan payments, etc.);
- Determine who will pay which expenses and how (e.g. “I’ll send a $75 check for the electric bill by mail, but you will withdraw $85 cash for gasoline for your truck.”);
- Revisit my/our financial vision and short-term goals to decide how to find additional money this week to achieve them sooner.

Signed: ___________________________   Date Signed: ___________________________

Raising Financially Responsible Children

Raising money-smart kids feels like a tug-o-war. You “pull” them towards being responsible with their money (saving), and they “pull” you to the vending machine, the cashier, or to another location where they then “pull” on your wallet until they get what they want (or at least hope to).

Use the following checklist to help you determine the path that best fits your parenting style and financial priorities, with the goal of raising children that are self-sufficient, wise with their spending, and know the value of their income:

- Will I/we give the child(ren) an allowance?
  - An “Allowance” helps children learn to make better financial choices (or at least lets them make small financial mistakes) while they’re young.
  - You can tie it directly to doing chores; you can give it to your child(ren) freely with no strings attached; or you can create a hybrid allowance where you give the child(ren) a small, specified amount of spending money each week or month but also allow them to earn additional spending money through chores.
  - Regardless of your choice of allowance type, your most difficult job as a parent will be to tell them, “No” when then come asking for more money. If they’ve
spent their allowance, keep in mind that a little heartbreak can be very motivational in the future to save and spend wisely.

- **Is it time to open a savings account in my child(ren)'s name at a bank or credit union?**
  - A savings account should be “standard issue” for all children.
  - You will serve your children best if you take them to the bank or credit union to deposit their money, or if you, at least, show them graphs of how their money is growing over time thanks to regular deposits and interest earned.

- **Is it time to open a checking account in my child(ren)'s name at a bank or credit union?**
  - If they’re a teenager, is it time to get them a checking account and a debit card, especially if they have a part-time employment and/or are earning and/or spending money regularly.
  - Monitor their spending, especially if they have added their debit card to a phone account, PayPal or other service.
  - Teenagers do NOT need to build credit until they’re a couple years from buying their first home. So please don’t get them a credit card when they’re only 17 or 18 or 19… some young people are not even ready in their early or mid-20s to wisely use a credit card.
Unwritten Goals Remain Unfulfilled Wishes

Saving Is a Commitment, Not an Amount!

Financial Success Happens at the BEGINNING of the Month!

What will you take away from your time with the Everyday Money for Everyday People program?

- Ideas for escaping the paycheck-to-paycheck treadmill
- Tricks for finally saving money without the risk of breaking the family piggy bank
- Tips for paying off debt and building financial stability

Whatever you take away from this program, you’ll find it to be practical, down-to-earth and financially helpful in the ways you need it to be.

This workbook accompanies our book, Everyday Money for Everyday People (available on Amazon and Kindle), Our Everyday Money blog (www.debtreductionservices.org/education/everyday-money-for-everyday-people) and our Everyday Money for Everyday People presentations and slideshows.

To schedule Todd as a meeting or conference speaker or for more help, materials, and publications from Debt Reduction Services Inc and Todd Christensen, see www.debtreductionservices.org/education/host-a-class or contact us at Education@DebtReductionServices.org or (877) 688-3328.