

Talk About Money!

Families talk about many things but often avoid talking about money. Whether you want to clarify money issues with a spouse, help your parents with health care bills, or teach your young adult children about wise money decisions, it may be difficult to broach the subject of money.

Here is a method for talking about money with family:

- **Schedule a family meeting to talk about finances.** This gives each member time to think about what they want to discuss and be prepared with the information needed to facilitate the talk.
- **Share financial information needed in “black and white”:** account information, spending for the past month, financial goals, proposed or existing budgets, wills, credit card balances and interest rates, all important financial papers. (See the box below.) The more accurate the information, the less anxiety and the more clearly solutions can be determined.
- **When meeting, be sure no one is hungry, tired, ill or distracted.** Turn off the TV, phones and computers. Agree to some ground rules such as: All can contribute and finish what they are saying before another begins talking. Stick to the issue being discussed and if anyone gets emotional, you’ll take a recess and return to the discussion later when emotions are less intense.
- **Avoid blaming and work together** to find creative solutions that reflect each person’s goals and values. Remember that most of our values about money come from our childhood family. A person should think of their earliest memory about money and see what values were learned from that experience. Talking about those experiences may help family members understand each person’s “money personality”– whether they are a spender, saver or sharer.
- **To review finances with your aging parents share the “Financial Accounts Inventory”** with them to encourage them to inventory their assets and liabilities. Suggest they put all important papers in a portable file or notebook and then review with you what’s there, and explain their wishes for management of their finances for when they may become unable to do it themselves. This method also helps when preparing for the death of a spouse or merging two households when remarrying.

Items to include in your financial file:

- **latest bank and retirement fund statements**
- **list of all accounts and loans with contact information**
- **lists of professionals hired**
- **net worth statement listing assets and debts**
- **list of automatic debits from accounts**
- **contracts for services**
- **location of birth certificates, marriage licenses, passports, on-line passwords, wills, powers of attorney, insurance policies, deeds and titles of ownership**
- **data on any private “deals”, investments or loans**
- **copies of wills and powers of attorney**
- **summary of health, life and long term care insurance policies with contact information**
- **keys to safes or safe deposit boxes**
- **list sources of income**

For discussions with young adult children, you might share how you determined financial goals, saved for retirement, budgeted for monthly expenses and goals, or paid off credit cards and loans. It will help them manage their money, and prepare for that financial review with you “someday”.

The solutions you determine depend on your values, money personality, and discussion with your family. Money talk doesn’t have to be conflict. Money is just a tool and can be fun to discuss if approached with open respectful talk. To reduce the angst of money management without the facts, talk about money with your family.

Sources:

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Suze Orman. *9 Steps to Financial Freedom*, New York: Three Rivers Press, 2000.

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