

## ***The Finance Fight***

Some say it isn't polite to discuss money, yet it's one of the most friction-inducing topics among couples. From differing attitudes, spending habits, and saving styles, to mismatched priorities and financial infidelity, money is one subject where you can't afford to agree to disagree. Your Employee Assistance Program (EAP) is here to help you have an open, honest conversation about finances before it costs you your relationship.

### **It's not about the money**

Money is the number one issue that couples argue about, and it's often the reason cited for divorce. What is it about money and relationships that leads to so much conflict?

The answer is less about the money itself—how much you have, where you spend it, or who makes what—and more about a lack of communication. In fact, many of the most common issues that plague relationships can be traced back to poor communication. Regularly talking about money not only helps to ensure that you and your partner are working toward the same goals, it also establishes a healthy routine of maintaining open dialogue. Over time, this principle naturally extends to other areas of your relationship leading to a stronger union and fewer disagreements.

### **Talk now, or pay later**

Talking about money is tough. It's extremely personal, so the initial discussion can be uncomfortable, stressful, or possibly embarrassing. Even if you are great with money and have a near-spotless history, preparing for what your partner may reveal can be unnerving, and hearing about your partner's history might change the course of your relationship. Whether you're dating or engaged, or even already married, withholding information about money management from your loved one could cost you both a whole lot more down the line. As vulnerable as it may make you feel, talking about finances with someone you love and plan to share your life with is one of the most valuable ways to foster true intimacy.

### **Conversations every couple needs to have**

#### ***First, the figures***

**Reveal salaries and other income.** Include commission percentages and bonus amounts if applicable.

**Tally up the money you currently have.** Calculate separate totals for checking, savings, investment, and stock accounts.

**Disclose all debt.** Discuss how soon you want to pay off debt and how you plan to go about it.

**Review your credit scores and ratings.** Having this information is critical to setting realistic financial goals and helps you determine where your financial priorities and possibilities lie.

#### ***Dig a little deeper***

**Compare individual philosophies.** Walk each other through how money was handled in your family growing up, then, talk about how that shaped your current attitude toward money and your spending/saving style.

**Open up about your financial history.** If you've ever racked up any amount of debt, made a bad investment, or even filed for bankruptcy, be frank about how it happened.

**Evaluate long-term goals.** For example, talk about whether you'd like to buy a home someday and when you hope to retire.

**Explore lifestyle objectives.** Do you place more value on having things versus experiences? How often do you want to travel? Are kids in the cards? Will you both work, or will you have a one-income household?

**Discuss how to pay expenses.** Determine where money will be deposited and how much, as well as how bills will be paid and by whom. Decide whether you will combine incomes and pay for everything out of one joint account, split bills based on income ratio, or keep everything separate and go 50/50? No one approach is right or wrong as long as it works for the two of you.

#### ***Grow your finances along with your relationship***

**Check in regularly.** Schedule recurring money meetings to go over bills, recent charges, and upcoming expenses.

**Budget as a team.** Work together to build weekly, monthly, and yearly budgets. You may even want to create additional budgets for special events, college savings, and vacations.

**Reassess goals.** Change is inevitable, so be sure to periodically reevaluate previous goals and adjust as needed.

Your EAP is here to help you navigate the delicate subject of money with your significant other. Our financial experts are also available to provide confidential advice about your specific needs and goals. The EAP is a voluntary and confidential employee benefit available to federal employees at no cost.

24 HOURS A DAY

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