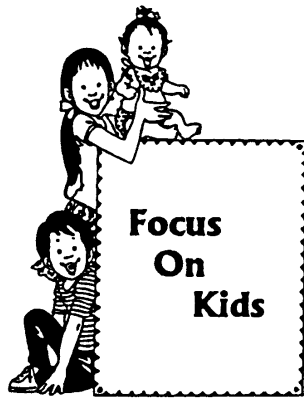


UNIVERSITY OF MISSOURI  
**M** Extension



## FOCUS ON KIDS

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## MOVING?

Please update your mailing information so you can continue to receive this important newsletter. Contact the Specialist listed above in the County where you attended FOK.

## Money: The Root of all Evils?

**Diana Milne**  
*Human Development Specialist*

How many catch-phrases can you think of that deal with money? "Money makes the world go around," "A fool and his money are easily parted," "A penny saved is a penny earned," and to coin a popular C & W song... "She got the mine and I got the shaft!" No doubt that each of those phrases creates a vision in your mind. When it comes to separation, divorce and remarriage, money is frequently a priority issue. It can also be an emotional one that traps children squarely in the middle of disagreements about finances.

Let's take a realistic look at some of the issues for separated, divorced and remarried parents. Rarely when a couple separates do both come out of the situation financially well-off. Usually, both experience a significant drop in household income and may also have to adapt to a lower standard of living. While there are always exceptions, studies show that men usually rebound more quickly financially than do women.

Remember that financial hardship usually creates stress in other areas of your life and is likely to affect your parenting. Here are some guidelines that may be helpful to you:

- ◆ **Try not to panic!** It is natural to worry and wonder how you'll make it, but try to remain calm. Stress can prevent you from thinking clearly and you may make decisions

that you'll regret. Maintain a normal routine and stay healthy. Take stock of what you have and what you owe. First take an inventory of all your resources. Get out bank statements, investment papers, retirement funds and insurance information. Consider everything of value that you own. Now determine what regular monthly bills you have and if you will have any irregular payments coming due, such as insurance.

- ◆ **Make a plan and stick to it.** After you have done your inventory, make a plan to adjust your spending and pay bills. Prioritize your bills! If you can't cover all your bills, then call creditors and explain your situation. Often, an agreement can be worked out, but contact them before you get behind in payments!
  - ◆ **Figure out where you can cut back on expenses.** It may be as simple as taking your lunch to work instead of going out to eat every day.
  - ◆ **Find ways to make extra money.** It may mean taking on a second job, or putting your talents to work in other ways, such as doing alterations after work at home, mowing lawns on weekends, etc.
- Although your first instinct may be to give up, don't! Also, try to keep your children out of your money problems. Kids don't need to know all the details as it may create even more stress for them.

## Money is an Emotional Issue

Money is one of the most value-laden and emotional issues we can discuss. The way each person deals with financial issues and decision making can vary widely, so it should come as no surprise that “differences about money” ranks as one of the highest areas of conflict with couples. It is also a factor during and after separation and/or divorce—in fact, it can often become quite heated.

An added problem is that separated or divorced couples

often put the children in the middle of their continuing disagreements about money. Many times they are careless about when and how they discuss these issues, so the children become aware of the situation.

If you and your former partner have disagreements about financial issues, try to keep the children out of it and don't discuss it when they may overhear the conversation.

Children who feel like they're in the middle of parental

disagreements can experience extreme levels of stress and may suffer social, emotional, physical and academic problems.

If too much emotion gets tied up with your financial concerns, consider going with your former spouse to see a mediator or family counselor to work out a plan to benefit everyone, especially the children.



## Communicating About Finances in Stepfamilies

Only about 20% of remarried couples discuss their finances prior to marriage and almost none seek professional help with financial issues.

Areas for discussion include:

◆ **Attitudes about money**  
Talk about past financial experiences, some include: feelings about investing, spending,

saving, etc. What role will each of you play in providing money?

◆ **Joint vs. separate accounts**  
Discuss the pros and cons of having joint or separate checking and savings accounts—or a combination.

◆ **Meeting children's needs**  
Discuss thoroughly the financial needs of all children—“yours, mine and ours.” How will child support money be paid and/or used? What about health

insurance, tax exemptions, unexpected expenses for the kids?

◆ **Budgeting**  
Will you develop a budget together? Who will be responsible for paying monthly bills and keeping financial records organized?

◆ **Planning for the future**  
Consider your short and long term goals: college expenses for children; caretaking expenses for elderly parents; wills and other inheritance issues.



## Questions and Answers

**Q.** My former wife has recently remarried. Her new husband is wealthy and they live in a fancy new home. The kids are wearing expensive clothes and have all the latest high-tech gadgets. Do I still have to pay the same amount of child support? My kids are living better now than they ever have.

**A.** A parent is obligated to support his/her children regardless of the resources of a new stepparent.

## Resources

University of Missouri Extension Guide Sheet 6603:  
University of Missouri Extension curriculum:

**Financial Decision Making in Stepfamilies  
Step by Step—Creating Strong Stepfamilies**