



THE CASH MANAGEMENT CONNECTION

PO Box 17173 Chapel Hill NC 27516 cashworkbooks.com

CA\$HTALK

The Newsie Letter from the Cash Management Connection

Dec 2007

Making Your List and Checking It Twice: Holiday Spending Tips

Here it comes again: no matter how hard we try to avoid it, the holiday season sneaks right up and bites us in the wallet. Now I'm all for a holiday spirit: I've spent all of my fifty years getting my Christmas movie-watching routine nicely built up and don't anybody mess with it. "It's A Wonderful Life"; "White Christmas"; "The Preacher's Wife"; "The Christmas Story"; even "An Affair to Remember", plus Charlie Brown, of course. It's all about the season for me, and always has been. I love every minute of it.

But then I had children. And my children had the nerve to have friends. And those friends had the nerve to get loads and loads of presents for Christmas or Hannukah. All of a sudden there were loads and loads of presents under our tree, too. Presents that quite soon lost their holiday luster and ended up in a dusty closet. Soon it became obvious that we had to set down some ground rules for holiday gifts. And believe me, we are not profligate spenders: we choose carefully and always on sale. But it hit several years ago: how much stuff do we really need? And how much stuff do our kids really need? Not nearly as much as we had been getting.

So we laid down some ground rules for our Christmas/Hannukah (we're a xmas tree/ menorah family), and so far, our kids not only haven't noticed any difference in their holiday, they actively help in the process. Here are a few tips for trying it yourself:

1. Set a budget for holiday gifts, maybe per person.
2. Early on, let the budget be known to all.
3. With the kids, assess what was given and received during the past few years, and whether it was used/word/read/playedwith/etc. Encourage them to choose things for their wish list that they know they'll actually use.

4. With your kids, scout the house for stuff that is still good or wearable, and see if your local shelter can use some of it. If not, take it to the local thrift store for resale.
5. This was key in our family: let the kids know that you're doing this not because you're closet scrooges, but because you have a finite amount of money, you all just don't need so much stuff, and finally because less holiday spending may mean being able to decide other family spending choices for the upcoming year, such as vacation or camp.



Now, I should tell you that none of this applies to stockings, my personal favorite part of Christmas. I do, however, keep my purchases to a minimum and only get things that I know we'll all really use. And chocolate, of course.

We ask our kids to think hard about what they really want, and they do. No more unused stuff, or still-tagged clothing hanging in closets till the next year. Taking a more restrained approach to gift-giving has made an enormous difference in our holidays. We loosen our purse strings during the school break for a movie or two out at the theater, or surprise lunch at the local ice cream parlor. It's been worth every penny not spent.

Wishing all of you a peaceful and joyous holiday season.

Maureen Dolan Rosen
Cash Management Connection
Phone (919) 264-5976
info@cashworkbooks.com



At the **Cash Management Connection**, we believe that being in control of your finances starts with knowing where your money goes, no matter how young or old you are. Our workbooks teach basic budgeting and goal-setting, then guide the user through 12 months of tracking what they get, spend and save. We invite you to visit our website to learn more about how our workbooks can help you, or someone you know, learn how to manage money. We have versions for just about everyone! Come take a look...

- **KIDSCA\$H** Workbooks (age 8-12)
- **MYCA\$H** Workbooks (for non-kids, in pocket- and full-size versions)
- **KIDSCA\$H** and **MYCA\$H** Spanish versions
- **HISCA\$H** and **HERCA\$H** Pocket Workbooks: a great way to manage money together
- **KIDSCA\$H** Birthday Bundle (the perfect kid gift!)
- **MYCA\$H** College
- And our **KIDSCA\$H** and **MYCA\$H** **Personal Finance Curricula**: 10-part courses on basic money skills.



And while you're on our site, you can download a **free** monthly budget worksheet, enter our contest to win the workbook of your choice, or sign up to receive our **CA\$HTALK** newsletter by email. And don't miss the "Tips and Coupons" page, with downloadable money tip sheets and coupons: all for free.

SAVE 10% RIGHT NOW ON ANY PURCHASE. USE COUPON CODE NEWSIE

www.cashworkbooks.com

Taking Good Care of Your Money: Some Quick Tips for Adults

- 1. Don't be scared of your checkbook.** One of the most common habits that people fall into when they're not doing a good job of managing their money is to ignore the situation. The reality is that you simply cannot get control of your finances until and unless you know every single ugly thing about your financial life. So open those bills, set up a file system, balance that checkbook. Look under every rock you have so you can get a clear idea of exactly what your financial situation really is.
- 2. Be honest about your money mistakes.** We've all made them, so don't think you're the only one who's ever done something stupid with your money. (And if anyone tells you that they've never made a financial mistake, they're lying.)
- 3. Get yourself on some sort of regular system of money management.** Whether it's a written format, like MYCA\$H, or a computer program, or just a tablet with lines on it, start using a process that will help you keep track of your money. It's like being your own personal accountant. Once you've done it for a few months, you'll start to see spending patterns that may surprise you.
- 4. Set up a budget, now.** This is the tool that will drive your financial success, and without it you're shooting in the dark.
- 5. Be a good role model: even if you don't have kids, be the kind of money manager that your family members and friends look up to.** It's your money: why let someone else control it?
- 6. Save at least a portion of any money you get.** Just do it. Period.
- 7. Remember: you always have options.** Don't starve yourself, or never have a treat. You can opt for a tiny splurge now and then, but stick to your budget.
- 8. Think twice before you spend. Read the fine print!** And make sure you're getting value for your money.
- 9. Talk to someone about your money skills and what you're doing.** Find a good friend, or someone in your family, whom you trust to listen and not judge, and tell them what's happening in your life. Just unburdening yourself of your worry, and allowing someone to encourage you when you need it, can make a world of difference in how effective you can be in changing your money habits.
- 10. Cut up your credit cards,** if that's what your weakness is. There's no getting away from the spending unless you eliminate the option of using those cards.
- 11. Call your credit card companies and ask if they'll reduce your interest rate.** You'll be amazed at how effective this approach can be.
- 12. Stop trying to keep up with anyone.** Chances are that the folks you're trying to keep up with are in worse financial shape than you are, and keeping up with them only benefits the stores you patronize.
- 13. Be honest with yourself about your finances.** Denial can swoop in and overtake you, and before you know it, you're deeper in the hole than ever. And don't ever be afraid to tell a friend who invites you out for dinner, or to go shopping, that "Sorry: it's not in my budget right now."



www.cashworkbooks.com