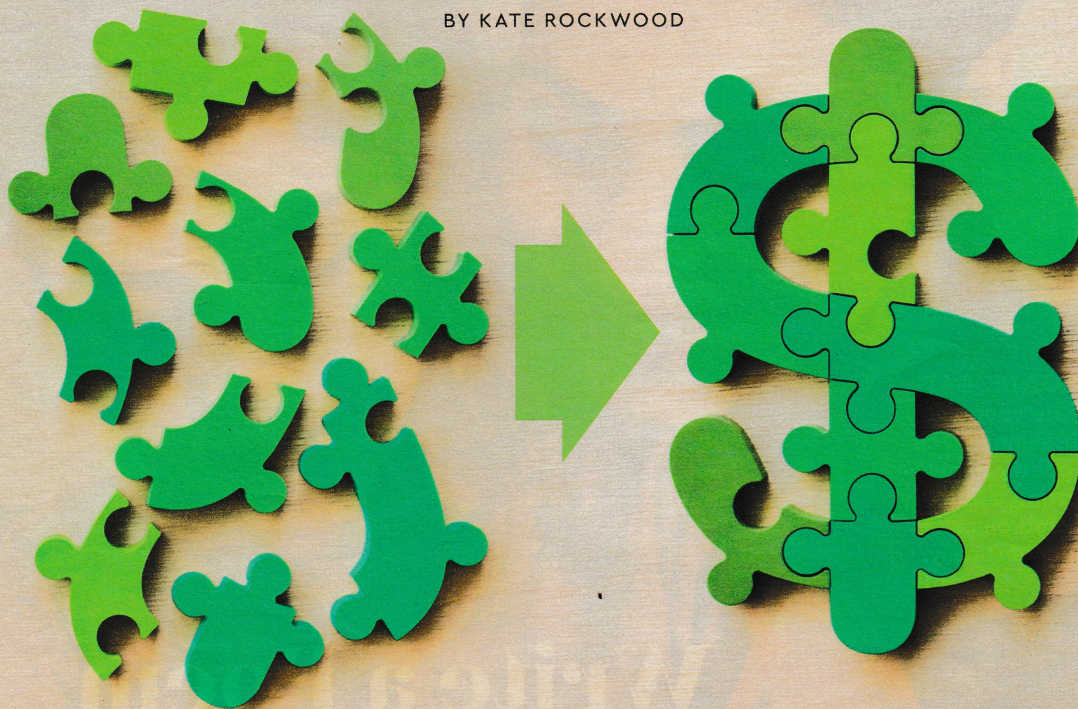


Organize Your Financial Life

Taking control of your money doesn't require an advanced degree. Here's how to tidy up every part of your pocketbook.

BY KATE ROCKWOOD



1 Be on the Same Page as Your Partner

More than half of couples argue about money, according to a 2018 Fidelity survey. And those who are concerned about debt tend to clash even more often, with 46% saying money is their biggest relationship challenge. But avoiding financial conversations may haunt you in the long run.

TAKE CONTROL Ninety percent of happy couples discuss finances at least once a month compared with only 68% of unhappy couples, according to a TD Bank survey.

To make sure you're not having the same argument on repeat

("You spent *how much* on golf?"), set aside time to talk about your aspirations and fears, suggests Mary Claire Allvine, a certified planner and author of *The Family CFO: The Couple's Business Plan for Love and Money*. Maybe you want to retire early, or you worry that your job is precarious. Jot goals and worries on separate lists, then merge them into a joint list with your partner. Talk as often as you think is productive, from every quarter to once a month. "The exercise becomes the guide for the money decisions you'll make all year," she says. "You're both working toward a unified vision, and that helps you feel more in control and more confident." These financial chats make the two of you partners in the truest sense of the word.

2 Do a Credit Checkup

You might think of your credit score only when dealing with a big-ticket expense, like applying for a car loan or refinancing your house. But that doesn't mean others aren't peeking at that three-digit number: Insurance companies, cell phone carriers, utility providers, and landlords can all use your credit score to assess how financially responsible you've been in the past. And if *you* aren't keeping an eye on your score, you run the risk of missing fraudulent activity.

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TAKE CONTROL Check your credit report regularly. Your FICO score (which can range from 300 to 850) is calculated based on data from the three national credit bureaus: Experian, TransUnion, and Equifax. You can get a free report from each bureau once a year by going to annualcreditreport.com. Mistakes that affect your credit score are more common than you might think, so review yours carefully, and to fix any inaccuracies, file a dispute.

Then sign up for free credit-score monitoring through your bank or credit card or at a site like Credit Karma. "This type of monitoring won't impact your score and can help you build habits, like using autopay for bills, that could create a stronger number," says Alison Norris, a certified financial planner at SoFi.

3 Be Ready for Emergencies

"When you're confronted with some sort of emergency—whether a natural disaster or an unexpected job loss—the last thing you need is to be scrambling to figure out where your financial papers are," says Kathy Longo, a certified financial planner and author of *Flourish Financially*.

TAKE CONTROL Once a year, block out a few hours to gather and review all your important financial documents. Longo suggests taking inventory of insurance policies (including medical, life, home, and auto), bank and investment statements, recent federal and state tax returns, statements for your mortgage and any lines of credit or other major debts, and your will, powers of attorney, and any trusts. Store everything in one secure spot in your house, like in a locked file cabinet or safe, and consider making copies and stashing one set elsewhere, such as in a security deposit box at your bank.

If stepping back to figure out what policies or paperwork might

be missing feels overwhelming, consider calling in a pro. "It's nice to talk through all these pieces as a part of a holistic financial plan so you can really see how they all work together for you," says Jessica Landis, a certified financial planner and assistant vice president at Janney Montgomery Scott. You can find a fee-only financial planner in your area or with particular expertise at napfa.org.

4 Stare Down Your Debt

Sixty-five percent of people with debt don't know how long it will take them to climb out of it, according to a recent creditcards.com survey. But if you're serious about slaying the debt dragon, you have to know how big a beast you're fighting.

TAKE CONTROL First figure out what you owe, then make a plan to pay it down steadily. Maybe you pull together another \$100 a month by carpooling with a friend instead of filling your gas tank, or you babysit a few nights a month. That extra \$100 can make a real dent in your debt. If, like the average American with credit card debt, you owe \$6,929 on your card with a 17.15% APR, making monthly payments of \$400 instead of \$300 will shave your repayment plan from 29 months to just 21 months. "That's like getting eight months of freedom back," says Allvine. "Plus, it's hugely motivating to watch that balance go down."

Think about what will motivate you in the long haul, then attack either your biggest or your smallest debt first.

5 Review Monthly Expenses

Quick: How much do you spend on subscription services like cable, Netflix, and Blue Apron every month? When Waterstone

Management Group put that question to a group of 2,500 people, 84% underestimated their totals. And more than half of those consumers were off by \$100 or more.



6 Ninety percent of happy couples discuss money at least once a month."

TAKE CONTROL Grab your latest bank statement and highlight every expense that gets paid on autopilot. Then spend a few minutes evaluating how much value you actually get from that subscription or service each month. If you can't imagine family movie nights without Netflix, then keep it—but if you haven't flipped on a show in months, cutting the service is an effortless way to keep more money in your wallet. Don't assume the amount of every wanted expense is fixed, either. You can call the provider to ask for a better deal or consider Trim (asktrim.com): When you upload or email a recent bill to the site, a member of its team contacts, say, a cable or Internet company on your behalf for free. (It can also cancel unwanted subscriptions if you'd like.) If it snags you a better deal, Trim keeps a commission of 33% of your annual savings. Last month, users saved a cool \$1 million using the site.