



FINANCIAL PSYCHOLOGIST

how money fights affect your family

Say you're getting a fat tax refund and your spouse wants to spend it on new golf clubs, while you would rather stash it in your savings account. Whatever you two decide, don't argue your cases in front of the kids. A recent study in the *Journal of Family and Economic Issues* revealed that children who witness their parents fighting about money are three times more likely to carry credit-card debt as young adults than those whose parents keep such matters private.

"If your children hear about money mostly in the context of arguments, they associate finances with negativity," says Bryce Jorgensen, a coauthor of the study and an assistant professor of family relations at East Carolina University, in Greenville, North Carolina. Heated words give children the sense that financial complications are a source of conflict.

As a result, they may be more likely to grow into adults who neglect or push aside money problems rather than actively grappling with them.

That said, one blowup won't permanently damage your kids' financial futures. Constant squabbling has a greater impact, says Julie Hanks, a licensed clinical social worker and the director of Wasatch Family Therapy, in Salt Lake City. That's because frequent tiffs often involve one parent putting down the other, which sends children the message that money mistakes are a sign of character flaws.

If you or your spouse blows a financial fuse, admit to your kids that you didn't deal with your frustration in the best way. Then explain that you're trying to fix a money problem, not ignore it. This important message may help your kids make smart money choices in the future.

—Yelena Moroz

THE FINE PRINT

CHECKS 101

Writing a check can feel old-school in these days of paying with a debit card or a smartphone. But checks aren't going the way of the Susan B. Anthony coin anytime soon. In 2009 U.S. banks processed 24.5 billion checks, according to the Federal Reserve System. And yet you may not know some basic facts about them. Here, a primer.

- ▶ **Don't endorse a check before you get to the bank or the ATM.** Once you sign your John Hancock, the check can be cashed by anyone. To prevent that from happening, always write "For deposit only" on the back.
- ▶ **If a check is made out to you and your spouse, both of you must sign.** But if it's written to you or your spouse, only one of you needs to sign. If you make an error here, the bank may hold up the deposit.
- ▶ **Lost your checkbook? File a police report.** Otherwise, if the checkbook has been stolen and the thief goes on a shopping spree, you may be held legally responsible for the payments.
- ▶ **Double-check onscreen amounts when making a deposit via an ATM or a smartphone camera capture.** "Mistakes don't happen often, but if a check is read incorrectly you'll need to make a trip to the bank in person to sort it out," says Claes Bell, a senior banking analyst at Bankrate.com.
- ▶ **Bouncing just one check can haunt you for years.** You can become part of a bad-check database, meaning that "retailers and financial institutions can refuse to do business with you" for up to seven years, says Bell. To make sure you're in the clear, request a free file report by calling TeleCheck (800-366-2425). —Stephanie Booth



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