Financial Pitfalls for the Single Parent
By: Family First Staff

Do you know what some of the most common financial pitfalls are for single parents? In The Financial Guide for Single Parents Workbook, Larry Burkett warns single parents of the traps to look out for and how to avoid them.

Debt
While credit cards may seem like an easy way to fill in the gaps of a decreased income, avoid using them as much as possible.

Shopping When Depressed
Many people like to go shopping as a way to cheer themselves up. But the added debt you’ll incur from your shopping spree will only make you feel worse later. If you just need to get out of the house, leave your credit card at home if you’ll be tempted to buy.

Inadequate Child Support
Unfortunately, nearly 50% of child support is never paid. If you find that you’re not receiving payments, consult a professional on how to best handle the situation.

Giving in to the “Gimmies”
Don’t let your children’s wants cause you to exceed your budget. For many single parents, emotions like guilt cause them to overindulge their children, even if they can’t afford it. Also, be sure to set designated amounts for holiday and birthday gifts, and stay within the budget.

Trying to Maintain a Higher Standard of Living
Unfortunately, many single parents will need to make lifestyle adjustments after a divorce or death of a spouse. You may need to consider moving, finding a roommate or changing your spending habits.

Unexpected Expenses
Put aside a little bit of money from each paycheck to set up an emergency fund. Car repairs, broken refrigerators and trips to the doctor always seem to happen when the checking account is drained – without savings set aside, you may be tempted to get further into credit card debt.

Being Afraid or Embarrassed to Ask for Help
There are many non-profit organizations and churches with programs specifically designed for single parents. And many single parents find that family, friends and neighbors are willing to pitch in when needed. But if you don’t seek help, they may never realize what your needs are.

Other Pitfalls
Changes in medical benefits, the vulnerability to “something for nothing” scams and loans, and even hidden debts such as loans can also be pitfalls. You may even have a few that weren’t on this list – everyone has their particular set of things that trip them up financially. The trick is to identify what they are and plan for them.