



Making the Most of Your Money



Credit Education 101

When I was a teenager, I could not wait to get my driver's license. I had glorious visions of myself: sunglasses-clad, stereo blasting, out on the open road with the wind whipping through my hair, free at last from the confines of Mom picking me up and dropping me off. However before I was allowed the luxury of driving, I had to take Driver's Education Class. Our dauntless high school football coach would load several of us into the car each week, put his life in our hands and let us practice our lane changes and three-point turns. Of course, if we started to swerve out of our lane, he was there with the brake on his side of the car to keep us from crashing. I was forced to read driving manuals and watch graphic movies about the horrific results when bad driving happened to good people. Finally, after hours of practice and study, I made my way to the DMV to take the ever-important driving test. My examiner was kind and I was well prepared so- except for a failed parallel parking at-tem- I passed. All of

those hours of learning to drive left me pretty well equipped for whatever came my way.



Not too long after I became master of my driving domain, I started receiving credit card solicitations in the mail. I had glorious visions of myself: sunglasses-clad, stereo blasting, out on the open road to the mall with the wind whipping through my hair, free at last from the confines of having to pay cash. To my relief, there was no Credit Education Class that I had to take. No manuals to read. No movies to watch about the unfortunate souls on the brink of financial ruin. No coach to put on the brakes before my spending swerved out of control. No ever-important credit education test. No examiner to make sure I knew when to park my credit card. I had a license to charge and I had never been taught how to avoid crashing.

Some fortunate people

are born knowing how to responsibly manage their money. They save their pennies and start a college fund at the ripe age of 3. Even though my parents did try to teach me the importance of saving my pennies, I was always the kid trying to frantically rob my piggy bank at the first clang of the ice cream truck. I was not born a saver. I was always a spender. I realize that I am responsible for my own actions but maybe some formal credit education would have kept me out of trouble. Instead, I learned the hard way.

I worked when I was in college but didn't make much money. Credit cards allowed me to live beyond my means. Why on Earth would I actually wait to save up and buy something when I could have it instantly just by putting it on a credit card? I could not afford all of the things I was buying on my measly salary but the credit cards made it possible. I honestly wanted to be responsible and stop using the cards but whenever faced with temptation, I always caved. I tried to leave them at home but quickly discovered that if I just gave the store my ID and

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CCCS of Central OK is a non-profit credit counseling agency that has been serving Oklahomans since 1967 with financial counseling and education. We are working with the Oklahoma Department of Consumer Credit to provide ongoing education to payday loan borrowers, as well as the general public. For more information about CCCS call us at (405) 789-2227 or 1-800-364-2227.

Credit Education 101, continued...

Social Security number, I could charge without even having possession of the card. Before long, I found myself in serious credit card debt.

Eventually, I grew tired of the stress of not being sure when I could pay my bills or if I could pay them at all. Shopping wasn't fun anymore. I just wanted it to end. It took me getting to the point of not wanting to open my mail or answer my phone to face that fact that I had to do something. Feeling a moral obligation to repay the debt, I did not want to file bankruptcy so I went in for credit counseling. I found out that I could afford the payments and we developed a plan to repay my creditors. I had no choice but to chop up my credit cards and stop charging cold turkey. It wasn't easy but at the same time, it was a huge relief. I received material about budgeting and learned the satisfaction of actually saving up for something and paying cash. I regained control of my spending because I learned that there was another way to live.

After I learned my very difficult lesson, I chose to become a credit counselor with the same company who helped me. I believe that just as we must be taught to drive, some of us need to be taught how to manage our money. For some, it comes naturally but for some of us, it takes education and practice. I have talked to so many people over the years who were in the same situation I was in. I felt stupid for not knowing how to stop making bad choices but I know now that intelligence has nothing to do with it.

People frequently ask me why they should spend 4 or more years on a repayment plan instead of just filing bankruptcy or getting a consolidation loan. Bankruptcy or a loan may seem like the natural quick fix solution. However, those options typically



leave out the most important part-education. The wisest thing any of us can do when we make mistakes is to learn from them. If we don't, we are doomed to repeat them again and again. I have seen so many people end up in credit card debt again after they have filed bankruptcy or used their home equity to repay the credit cards. I believe that it's because they did not learn to change their behavior. They were bailed out of their financial mistakes but never learned how to make better choices so they continued to make the same choices that got them into trouble the first time.

Fortunately, our government is now doing something to make sure that kids start out with a good financial knowledge base. For those kids in any Oklahoma public school, Oklahoma began the PASSPort to Financial Literacy. Any student in an Oklahoma public school will be required to

learn 14 different financial topics before they can graduate from high school. Our hope is that kids will get the education they need in school and will avoid getting out of control. Further, our nation passed credit card reform which, in part, says that anyone under 21 must prove that they can repay the debt or obtain a co-signer in order to qualify for a credit card.

If you are in financial trouble or know someone who is, my advice is to get educated. Learn how to budget. Learn the importance of saving and how to spend responsibly. It isn't painful at all if you just learn how to do it. Read all that you can on the subject. Since you're reading this article you're obviously in the right place to get a lot of great advice on this website. Many churches, colleges and credit counseling agencies offer free and low cost financial management classes. Teach your children as they grow up how to save and manage their money. Most of all, realize that there is no shame in not knowing how to do something that you were never taught to do. Education is power and it is never too late to learn to make better choices the next time around.



Personal Money Power Workshop

2010 Schedule

In this workshop you will learn:

How to identify where your money is being spent, how to spend less, how to build a budget and stay on track, how to organize your bill paying, and how your ideas and feelings about money affect your habits.

East Metro Workshop

Del City 1st Church of the Nazarene
(Radley Memorial Building on SE 26th and Vickie Drive)
4701 SE 26th
Del City OK, 73115
August 10 & 17
October 12 & 19

West Metro OKC Workshop

CCCS Main Office
3230 N. Rockwell
Bethany, OK 73008
July 13 & 20
September 7 & 14
November 9 & 16