



5@50: 5 Financial Steps for Life in Your 50s

So you've hit the big 5-0! Doctors tell us this is the time to schedule some of those not-so-pleasant prevention exams. But what about your financial health? A survey from the National Endowment for Financial Education® (NEFE®), conducted by Harris Poll, finds 86 percent of people want their family to help with financial matters if they become unable. However, nearly seven in 10 say their family dynamics prevent that from happening. So what can you do? If you are the lead actor in this play, what steps should you take to ensure your wishes are understood and followed?

Here are 5 financial steps for life in your 50s:

1) Talk to your spouse (partner or significant other) to make sure you are in agreement. This sounds simple, but 70 percent of women change their financial advisor when widowed (Fidelity). The primary reason—the notion that men are the decision makers and the woman has been ignored throughout the planning process.

2) Get your financial house in order. If you have financial resources (bank accounts, retirement assets, investments, etc.) in several locations, consider consolidating accounts in one place. It's possible you are the only one who knows where things are, so make an inventory and keep it in a safe place. Also set up automatic payments for regular bills so you don't forget to pay a bill—or happen to pay it twice—a common occurrence that happens during normal aging.

3) Check your paperwork. Prepare and/or review your will. If you have a financial power of attorney, make sure it is current and works in the state where you live.

4) Assign roles. If you eventually want help from children or other family members, ask them now if they are willing to take on the role and communicate clearly within the family who will be responsible for what tasks. Consider separating financial, medical and social roles. If you are a child or family member who has agreed to take on a role, be aware that you may have to do some homework in order to handle your responsibility well. Communication is key so set up a specific time to discuss what's happening in your financial life—and not five minutes during the holidays. This might start out as an annual event and increase in frequency as you age.

TIP: If your family is spread throughout the country, you may want to allow view-only access to your accounts so they can help monitor for unusual activity. Check with your bank or financial institution to see if this access can be granted on your accounts. You also will want to see if you can grant view-only access to credit cards to help monitor those accounts. If restrictions to unauthorized users prohibit this, you can set up an alert program (via email or text) when a transaction over a set amount occurs. Don't forget to perform regular credit checks to avoid scams and identity theft. Check the three major reporting bureaus and stagger receiving the reports to get one every four months.

According to the NEFE survey, 58 percent of families experience disagreements, conflicts or confrontation with others when aging affects financial decision making. Try to avoid any family conflicts—remember to focus on the process to benefit the parent.

5) Seek professional assistance. If needed, an outside audit of your process, and review and advice from a lawyer and/or financial professional, can give the entire family peace of mind.

Above all, this is your plan and the family needs to remember that.

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