

What happens if I run out of money for one or two months?

That's one of the reasons why it's really important to have your emergency fund. Build the money up when you have a good month. Secondly, if you own a home, explore, when you have time—ahead of a financial crisis—a home equity line of credit so if you need something in a pinch, you can pull from that, with the idea of paying it back. Also, in a financial crisis, cut back on all nonessentials. And negotiate wherever you can with anyone you owe money to. Ask if they can wait, or will accept a partial payment. You can negotiate with any creditor; it's simply a matter of taking the initiative. Some will work with you, some will not. It's always worth finding out. Try to maintain a good credit rating so that you can get a loan if you need to, or have back-up help from family and friends. Look into other part-time job possibilities to pick up some quick money. In a real pinch, see if you have things you no longer need that you can sell on eBay® or at a garage sale.

How do I get out of debt?

Tracking and budgeting can help. To reduce debt, stop charging as much as possible, or cut back as dramatically as possible and make sure the finance charge percentage is as low as you can get it. (Either call for the latest promotional rate with your credit card company, or explore other cards, through your bank or other organizations to which you belong.) If you do get offers in the mail with low rates, you can use those, but make sure you're organized. You want to make sure you've read the fine print and you know when that low rate will stop. Or, if you're late, will your interest rate be bumped up? That's a critical point. Charge only if you can do it consciously. Ask yourself the following questions: What is your true priority in life? What's most important—is it your peace of mind, your relationship with family, that whole inner world? If that's more important—all of this charging and debt is about material, extraneous, automatic pilot stuff, not inner world stuff. Ask yourself if being in debt, being stressed and paying out unnecessary money is really serving the higher purpose in your life.

Protecting Your Credit Rating

Creating and maintaining good relationships with your creditors will help you when times are tough. A good credit rating—bills paid on time—will help you secure a loan, arrange a payment plan or gain credit.

A half-century ago, credit was a rare thing—most Depression-era people paid in cash, and learned the hard way about debt. We can learn from them. Even though we may be inundated with offers of credit—everything from huge mortgages to multiple credit cards—use credit sparingly. In fact, some experts say to keep your debt to 20 percent or less of your take-home pay—and this includes your home mortgage.

In the meantime, check out your credit rating. You can order your credit report from one of the three major credit companies for \$9 (see below). Once you receive your credit report, you can correct any mistakes, make good on delinquent accounts and know what any potential lender will find before they find it. (It is especially a good idea to check out your credit before applying for any major loans, such as a mortgage, business loan or car loan.)

Equifax: 888-766-0008, or www.equifax.com

Experian: 888-397-3742, or www.experian.com

TransUnion: 800-888-4213, or www.tuc.com

Should I start handling my money online?

For people like massage therapists who are in the people businesses—the not-as-linear world as corporate America—online bill payment can be a very good answer for you. Most banks offer online banking. You can go online, use a password, and you can see your whole account right there—what checks have been cashed, what your balance is. Then you can start paying bills that way. Type in places where you pay bills, the amount you paid, and you can automatically pay them. It will save you time, late fees and postage. It will help to organize you and will save you stress. It's so simple. I was dragging my feet—one of the last to convert. Now that I have converted, I find it really does streamline things.