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Start a cash klatsch

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It's hard to discuss money. That alone is one of the reasons so many of us have issues with our finances - we're simply too embarrassed, scared or ashamed to talk about the subject.

It's considered taboo to ask about a friend's saving and investing habits, bad form to ask a neighbor what they spent on their house, outright rude to ask a co-worker's salary, and when it comes to debt - whoa - nobody wants to talk about that.

That's why I started a money club. It's considerably easier to have these conversations when that's the reason you're there. Liken the concept to a book club - a bunch of friends or neighbors who get together regularly to talk about their financial lives. You can ask questions, compare insurance plans, ease each other's worries about saving for college and garner tips to help you ask for your next raise. It's different from investment clubs because the focus is to learn and talk about your financial life.

My group's not the only one out there of its kind. In fact, they're popping up all the time. I recently talked to one based in Vancouver, Canada, on "The Oprah Winfrey Show" and my Oprah & Friends radio show on XM Satellite Radio. This particular group, made up of five women who call themselves the Smart Cookies, has been meeting weekly for the past year. They hash out their financial goals, work to reduce their debt and exchange money-saving (and money-making) tips. By making small changes to their lifestyles and sticking to a budget, all together they've managed to save \$15,000, pay down \$15,000 in credit card debt and grow their income by another \$15,000 - all in less than a year.

My goal for 2007 is to get you to start a money club of your own. I want you to come together, support each other, hold each other accountable when you mess up and cheer each other on when you do well. I want you to use your close circle to work through your financial problems, one step at a time. It'll boost your confidence, and your account balances at the very same time. There are resources available to help you get started at oprah.com/jean. But, in a nutshell, here's what I want you to do:

* Select your group's members.

Start by talking to people with whom you're close. Friends will make the best members - you already trust them, so it'll be easier to give them a glimpse into your checkbook. But if you can't talk them into it, that's fine; trust can also come with time, said Robyn Gunn, a member of the Smart Cookies. "You want to have people you trust around, but you can also build the trust. The first time we got together, we did have to build trust - it wasn't immediate. But now we're all are really close."

The most important thing is to make sure all members are truly committed to the process, and to gather up people from all walks of life - mix working moms with those who stay at home, younger members with older and single people with married. Why? You'll learn the lessons the others have already struggled through.

* Shoot for full disclosure.

It may seem scary, but your group will have the most success if members are open about their financial situations. Even if it takes a few meetings to work up the nerve, try to encourage everyone to share their debts, their investments and even their salaries. Three of the Smart Cookies actually work together, and they survived when it came time to talk salary - they were even able to help when one member decided to ask for a raise.

* Zero in on issues. I'll be posting suggested curriculums monthly on oprah.com. But let members weigh in on topics that are relevant to their lives. The diversity in your group could clash at this point, and that's for the best: the person who's 24 and single can learn from the mistakes of the 40-year-old who's only recently started saving for retirement.

The idea is to brainstorm together so you cover topics relevant to everyone's lives, from retirement and college

loans to credit card debt, insurance and investments. Come up with a list of subjects you'll focus on and in what order they'll be discussed.

"We set tangible, specific goals each week," said Andrea Baxter, another Smart Cookies member. "We focus on things that we know we can tackle in a week." The group also allows time at the end of each meeting so that members can share any tips they've come across, like inexpensive cell phone plans or store sales.

* Delegate. Each member should be in charge of a different topic so they can prepare in advance when it comes time for that subject to be in the spotlight.

"One of my projects once was to research interest rates for mortgages in our area, and someone else may look for credit cards with low annual percentage rate, or the best places to bank," Baxter said.

Whatever the topic, the member in charge will want to circulate some material around before the meeting, just to get everyone on the same page. Keep it simple - this is not the place for books. Focus on recent newspaper or magazine articles, or research found online. That way, everyone can come to the meeting prepared, but they won't feel too overwhelmed to participate. If no one in your group wants to tackle an especially complicated topic, invite an expert to speak.

* Take advantage of each other.

The Smart Cookies are all women about the same age and they learned pretty quickly that sharing equals saving. Instead of buying a new outfit for every wedding, dinner date and party, they now swap clothes. Not only do they multiply the contents of their closets, but they also save money in the process. And the idea isn't limited to clothing. You can save by sharing your books, magazines and even rides to meetings. It all really adds up.

Finally, please let me know what and how you're doing (you can e-mail me from oprah.com). The idea is to spread a network of money clubs far and wide. With Arielle McGowen

Jean Chatzky is the author of the best-selling book, "Make Money, Not Excuses." She hosts a daily show on Oprah & Friends on XM Radio and writes columns at oprah.com/jean. She also is the financial editor of NBC's "Today" show.