

Saving Money During a Divorce

-- Easing the Financial Pain

By Scott David Stewart

Going through a divorce takes time, patience, and money. In this article, we'll discuss methods to help ease the financial burden of divorce. By using some of our recommendations, you'll save money and ease the pressure on your pocketbook.

Save money by working out agreements in advance.

Are you and your spouse still communicating? If you can engage in productive discussions about property division, child custody arrangements, parenting time schedules, child support obligations, and even spousal maintenance, then do so. Try to arrive at as many agreements on those issues as possible. If you and your spouse are able to resolve only one issue, say parenting time, then that is one less matter for the attorneys to work through.

The settlement terms that you and your spouse agree to will be reviewed by both attorneys in the family law case. Each attorney will ensure that his or her client's rights are fully protected, that the agreements are lawful and enforceable, and that the *best interests* of the children are fully addressed.

Save money by mediating all or some of your disputed issues.

You've probably heard of mediation as a form of alternative dispute resolution (ADR). Mediation is a very effective process that can really save you money. Although private mediation involves the expense of hiring a professional mediator and having your attorney present to assist you with negotiations, for most couples the mediation costs less than paying attorneys to litigate those issues at trial.

In mediation, there is no reporting what went on to the court. Instead, it is a purely confidential process. *The significant benefit of mediation is that any issue can be mediated, from child custody, parenting time, and division of assets and debts, to spousal maintenance.* The mediator assists the spouses in moving toward agreement on the matters presented for mediation. It is possible for every disputed issue to be fully resolved through mediation, but even partial resolution on some issues will advance the parties' case. The fewer issues in dispute, the fewer issues to litigate, the fewer decisions the court will make for the parties.

When mediation successfully resolves issues and is written into an agreement signed by the parties, then the agreement is submitted to the Judge who, absent an objection, signs it as a court order.

Save money by using a financial planner.

Divorce is a life-changing event for everyone in the family. As such, it is a time when investing money in a financial planner is a good idea and can save money in the long term. A financial planner determines realistic living expenses, estimates educational expenses, predicts retirement needs, and provides the information necessary to present a solid financial picture for the future. By establishing how much money you will need to live independently from your spouse, you'll also have a baseline for divorce negotiations.

Save money with a financial analysis.

There is always a division of assets and debts in a divorce. This may be a complex process for some couples, requiring professional asset and debt analysis by a financial analyst, or forensic accountant. The certainty that financial analysis provides allows the spouses to negotiate with actual data. (So they are not relying on gut instinct as to what something should be worth.) With a report from a financial analyst, the spouses will know their true net worth.

Save money by keeping your attorney on the legal matters.

Many people fall into a pattern of using their attorney as a sounding board for non-legal matters, and to some degree that's understandable. However, a client may come to rely too heavily on the attorney for emotional support. As well-meaning and sympathetic as the attorney may be, that is just not a good idea. For one, it will cost in legal fees. Second, emotional health counseling is not something that most attorneys have any special knowledge about.

To keep your legal fees under control, you need to rely on your attorney solely for legal matters. If you are struggling with the emotional aspects of your divorce, then consider meeting with a divorce counselor.

In our Arizona family law experience, clients who meet with divorce counselors make better decisions than those who don't. Those who attend divorce counseling early in the divorce process are calmer, more reasoned, and tend to have more realistic expectations and goals. They also tend to be more objective -- capable of stepping back from their emotions to see the bigger picture. In a divorce situation, that balanced frame of mind is extremely helpful in getting effective results.

Save money by being your own case assistant.

Make copies of all your paperwork instead of relying on your attorney's office staff to make the necessary copies for you. Making duplicates and sorting through documents and files takes a lot of time. *Take advantage of your special knowledge of the facts and appoint yourself official case assistant.* Make sure you know your limitations, and don't hesitate to ask for direction when you need it. When you understand what must be photocopied, summarized, and organized, there is no reason why you cannot perform the work yourself and assist your attorney's legal team.

You should get to know your attorney's legal assistants in short order. When you have a question that's not about getting legal advice, place your call or send your email to your attorney's paralegal or legal secretary. This is especially true when you are following up on routine matters, like the status of court filing or court dates.

Lastly, if you have suspicions that your spouse may be hiding assets from you, then do some of your own investigative work by examining bank and financial statements, tax returns, paychecks, and all your joint financial records to discover any anomalies.