SELF TEST FOR FINANCIAL TROUBLES

The following is a list of financial situations that people might encounter during their lifetime. Check the ‘yes’ or ‘no’ boxes that reflect your current situation.

YES  NO

1) I am behind on my rent or mortgage.
2) I am behind on my utility payments.
3) I am behind on payments for a secured loan (e.g., a loan that is co-signed, or has a car or furniture for security).
4) A creditor is taking legal action against me.
5) I am involved in tax evasion, tax fraud, embezzlement or have legal difficulties because of a criminal charge.

6) In order to pay my rent, utility bills or grocery bills, I have had to skip installment payments or take out a loan.
7) I am receiving past-due notices on bills or credit cards.
8) I have received a verbal threat of legal action from one or more of my creditors, or calls from a collection agency.
9) I have had to take out a new loan to pay an old one.
10) I have been turned down for a loan or other credit.

11) I have ‘maxed out’ one or more of my credit cards.
12) I am paying only the minimum amount due each month on one or more of my credit cards.
13) I frequently rely on the automatic overdraft protection for my checking account.
14) I have borrowed money from family or friends and have not paid the money back.
15) I have borrowed against or cashed out an insurance policy or a retirement account to pay debts.

If you answered ‘yes’ to any of the first five questions, you should take immediate action to address the problems. These are serious financial and legal situations.

If you answered ‘yes’ to just one of the questions from six to fifteen, this is a warning sign of financial trouble. Answering ‘yes’ to two or more questions indicates a pattern of more serious problems. Do not delay in addressing these problems. Without attention, they will probably get worse.

Re-establishing financial security requires honesty and effort: identify problems, explore potential solutions, establish and follow an effective plan of action.

Original source unidentified; adapted by Brian H. Farr, MA, LPC  www.bhfarr.com