

Divorce and Money

Deciding what to do about the assets and debts from your marriage and resolving other money-related matters is a very important part of your divorce.

The support and assistance of a Collaborative Financial Professional may provide valuable support and information for those decisions.

Almost all of these decisions have both short- and long-term consequences for your financial future. Some of the most important are:

- **Dividing the assets from your marriage, including the marital home.** Deciding if one party will keep the marital home or if it will be sold (or some combination of plans) is often an emotional subject. This decision might impact the future financial stability of your restructured family.
- **The Collaborative Financial Professional** can provide unbiased information on the implications of either of the parties maintaining the home after a divorce. Or, the Collaborative Financial Professional can help the parties determine an “affordability” range for their future homes. A Collaborative Financial Professional can also give you some common sense input about which assets may be easiest to transfer between spouses as part of a divorce.
- **Dividing the debts from your marriage.** The more debts you owe, the more challenging it is to find an equitable way to handle them. eg. Which debts do you pay first? A Collaborative Financial Professional can offer some options to consider as you address this issue.
- **Meeting your children’s financial needs.** A thoughtful plan at the time of divorce for meeting your children’s expenses will minimize the potential for future conflict.
- **Providing insurance** for the parties and children after divorce. In many cases, one spouse has employer-provided health insurance covering the entire family. It is often helpful to review the available options to determine what makes the most sense for health insurance both financially and practically for both the former spouse and the children. In addition, life insurance policies can often provide post-divorce security for children if either of the parties dies.

What do financial neutrals do on the Collaborative team?

Neutral financial professionals such as Certified Public Accountants (CPA), Certified Financial Planners (CFP™), and Certified Divorce Financial Analysts (CDFA) help you to gather and understand all the necessary financial information you may need to make informed financial decisions for your future and the future of your family. Financial professionals are trained in the Collaborative Law process and join the Collaborative team as neutrals.

The neutral Collaborative Financial Professional can help you and your spouse:

- Gather and organize required financial information
- Verify information about your estate
- Help you develop realistic financial goals for the future
- Become educated about financial matters related to the divorce
- Work with you to prepare future household cash-flow plans and projections
- Assist you as you prepare plans to meet current and future expenses for your children
- Offer you an objective perspective as you analyze the pros and cons of different ways to resolve the financial aspects of your case
- Provide specialized tax calculations and analysis
- Offer processes to help identify separate-property or other financial claims
- Help with placing values on businesses, real property or other assets of the marital estate