

## The Expat Spouse as Household CFO: Taking Charge of Your Finances — Together

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Whether you're experienced "old hands" or relatively new to living overseas, managing household finances can be especially complex for expat couples. Throw into the mix the excitement of living abroad, expat packages, tax equalization, school fees, and other perks, and the sense of urgency surrounding the need to plan ahead can be greatly diminished. Many expats don't know where to begin in organizing their finances, so they don't get started. Some couples may also have the idea that the working spouse should make financial decisions since they're the breadwinner, although lack of time and specialist knowledge can make this difficult.

This is where the trailing spouse can come in. Even if you're taking care of children, as trailing spouse you may have more time available and can often take the lead in setting up and managing the family finances. If you do this constructively and in the spirit of partnership, by stepping up to serve as the Household Chief Financial Officer (CFO), you'll likely find that rather than resenting a perceived intrusion on a traditional role, your working spouse will welcome the help.

The benefits of this approach are:

- Better cooperation — You'll work together as true partners to achieve financial goals that are important to you both.
- Emergency back-up — Both spouses are involved, making each one knowledgeable and capable of handling the family finances if so required.
- It gets done — Financial plans/tasks are proactively managed and implemented, so they don't just remain as good intentions.
- Peace of mind — Having a plan, sharing responsibilities, and planning ahead can remove much of the financial stress in couples' lives.

Going forward, we'll write a series of articles designed to help household CFOs get their family's finances organized and better managed so that expat couples can achieve their goals — together. Given the limited time in everyone's jam-packed lives, we'll try to avoid too much general information and instead focus on specific actionable steps. Here's what you can expect in the coming months:

### Setting Goals: How to Prioritize What's Really Important Together

— You have to decide where you want to go before you plot a course to get there. Of course, you can't plan your life in minute detail, nor would you want to. Nevertheless, a discussion of broad longer term goals along with more detailed shorter term goals can help focus your efforts and avoid heading in two different directions or heading nowhere at all.

**Banking in a Foreign Country and Managing Your Finances Globally** — You need the right combination of foreign and local financial institutions in the right jurisdictions to provide the proper mix of banking, credit, and investment products to support your life as an expat. Whatever you set up needs to be simple, convenient, and cost effective so that you don't become overwhelmed. Too much complexity is one of the major obstacles to staying on top of your finances.

**Budgeting/Cash Flow and the Importance of Saving** — Achieving financial security depends on getting into the habit of saving early and is often more important than investing in building financial security.

**What You Need to Know About Investing** — Constructing an appropriate globally-oriented portfolio, minimizing fees and taxes, choosing appropriate investment products, and avoiding the emotional pitfalls of investing will help you build the wealth you need to achieve your financial goals and provide a comfortable retirement.

**Managing Risk: Having a "Security Blanket"** — Unexpected events happen and it's important to plan ahead to avoid endangering your financial security. Knowing what types of risk are transferable and what you need to plan for, along with knowing the types and amount of insurance you need, are vital to providing a "security blanket" for your family.

**College Planning** — The skyrocketing cost of college education makes it essential to start planning early and to take advantage of all the tax-advantaged savings vehicles available to you. Expat kids often have the choice of attending university in multiple countries, which makes currency decisions a critical part of the planning process.

**Succession (Estate) Planning** — Putting proper estate planning documentation in place is vital to protecting your family, minimizing tax, and ensuring your assets are transferred according to your wishes. This is particularly important for expats whose assets often span multiple countries and tax jurisdictions.

Each month we'll cover one of these topics in more detail. By the end of the series, you as the expat household CFO should have a fairly comprehensive action plan for taking the steps needed to help get your finances in order, so that you and your spouse can achieve your goals and obtain financial security.

### About Creveling & Creveling

Creveling & Creveling is a private wealth advisory firm specializing in helping expatriates living in Thailand and throughout Southeast Asia build and preserve their wealth. Through a unique, integrated consulting approach, Creveling & Creveling is dedicated to helping clients cut through the financial intricacies of expat life, make better decisions with their money, and take the steps necessary to provide a more secure future. For more information visit [www.crevelingandcreveling.com](http://www.crevelingandcreveling.com).



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