

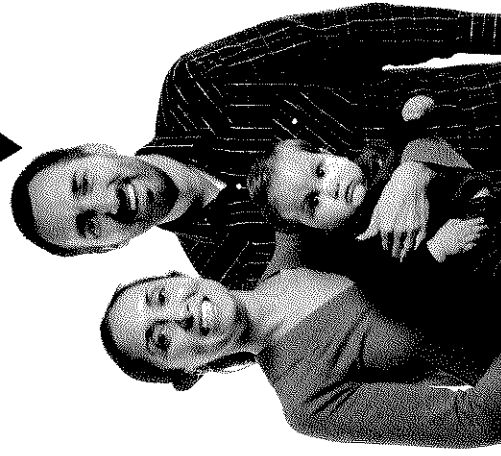
Into the Black

Where does your paycheck go? Figuring out the answer can keep more of it in your wallet.

GINA LOPEZ HOLTON



THE CHAMBERLAINS



CAROLINE TINSLEY



As Sylvia Saucedo shares her success story, the tears flow. The 35-year-old single mother of three has spent the better part of the past year participating in Foundation Communities' Financial Coaching program (foundcom.org), following a plan that has literally turned her life around. "It's gotten me out of the red," she says. "I've been in the red all my working years."

Saucedo, an administrative assistant for the Texas Health and Human Services Commission, divorced a few years ago and found herself living in a mobile home with her mother and children. She faced mounting medical bills and got caught in the cycle of payday loans—a usury scheme illegal in some states that essentially involves pawning your paycheck at exorbitant interest rates. "Basically, I dug myself a huge hole," Saucedo says, "and I didn't know how to get out."

She contacted Foundation Communities in early 2009. Her financial coach, Carol Dancy, advised her to track her expenses for a minimum of two weeks. Saucedo eventually got out of debt and is now attending Austin Community

College in order to get a better-paying job upon graduation. "I still live paycheck to paycheck," she says, "but now I am able to support my kids with shelter, food and all the basics. ... It's great for my kids not to see that stress."

Foundation Communities is a nonprofit that helps low-income people with housing and economic programs. But, says Keary Kinch, director of communications and development, "Anyone can have financial problems. It's not always about not making enough money, but more about not knowing how to control it."

Many of us can relate to that. The ability to budget—accurately—is all-too-often an elusive skill, and we suffer for it with debt. It's usually the extras that get us into trouble. We asked a few folks to share their average monthly expenses with us, and we encourage you to take a look at your own spending, using our chart as a starting point.

With the help of Foundation Communities and other resources in town, we came up with a list of cost-saving tips (page 80). Some produce minimal savings, but they add up fast and can help get some out of the red and into the black.