

Common Money Management Challenges and Solutions

No. 57, January 2013

By Todd Simkover & Evguenia Ignatova

The information stated in this article comes from the authors' personal experiences, their observations of other people on the autism spectrum, as well as Evguenia's consultation with an autism specialist.

Budgeting and money management can be difficult for anyone, not just for individuals on the autism spectrum. A lot of the time, people on the spectrum have trouble managing their own money due to a lack of guidance and practical experience when it comes to saving up and spending. With other issues to deal with, parents can sometimes overlook the need for teaching this crucial skill. The following are some common difficulties people on the spectrum encounter when it comes to managing money:

- **Understanding the monetary value of items:** In order to understand how to spend wisely, an individual has to learn how much it is practical to spend on a certain item. In order to be able to grasp this concept, one needs to figure out the most important features of the item being purchased and whether one feature outweighs another. For example, when Todd moved into his first apartment, he bought an air conditioner for around \$600.00 and didn't even think of a used one. Since he was unfamiliar with reasonable prices for air conditioners and didn't have the patience to shop around for the best deal, he made the mistake of trusting the salesperson's advice as he was told that this was the one he needed for the size of his apartment. However, the air conditioner installer later informed him that he was ripped off, as he only needed an air conditioner half as powerful which would have cost half the price. Even more surprisingly, he was also informed by the installer that this was the largest air

conditioner that he ever had to install! Nevertheless, he did not go through the trouble of returning the appliance as he thought it would have been too overwhelming as he had a lot on his plate at the time. Despite regretting having spent more than he needed, Todd acknowledges that one advantage of having an excessively large air conditioner was that he was never hot in his apartment! This example demonstrates that whenever you set out to buy something, you have to make sure that you are aware of what exactly it is that you are looking for.

- **Poor planning:** When making purchases, it is necessary to have an idea of what options are available ahead of time. This is often easier to do with things that you may buy often, such as snacks or drinks, since you gain a lot of experience buying these things. However, with larger purchases such as furniture, cars, homes, household appliances, or even clothing/shoes, you need to make sure that you know what is available and what you want to buy in advance. The less experience people have with purchasing certain things, the more prone they are to potentially wasting a lot of money, as Todd's example demonstrates: "I have mismanaged my money with the last two cars I've had. I leased my first car (which is basically renting, but then you could choose to keep the car if you pay off the remaining amount). When you lease a car, you have to pay for the kilometres travelled ahead of time. Because I did not read the fine print, I was under the impression that if I did not use the full amount, I would get reimbursed. Also, I was working full-time at the time, and didn't anticipate that I would later go back to school and drive less due to working fewer shifts. As a result of this miscalculation, I spent an extra \$1300.00 on prepaid kilometres that were

never used—I returned the car with 13000 kilometres less than I signed up for and was surprised to discover that I could not get the money back. For my second car, I wanted to get an old car so that I could save money on insurance, but then I ended up spending more money on car repairs than I would have saved on car insurance.” Therefore, before making any large purchase, it is necessary to brainstorm all of the future possible consequences before making the purchase. In order to do this properly, in-depth research is necessary.

- **Susceptibility to peer pressure and gullibility:** We know many people with ASD who are desperate to fit in socially and are very eager to please. Non-autistic people often spend large amounts of money on eating out or drinking and may consider someone who is trying to save money as “cheap”. This can pressure a person to spend more than he or she can afford. Another attempt to fit in socially or to try to be useful in society may be to lend or to give away money to people. Without full knowledge of people’s intentions and without full awareness of one’s spending limitations, lending or giving away money can lead to future money shortages. And as Todd’s first example demonstrates, it is also important to understand that salespeople are generally not trustworthy as they are usually trying to make the most money out of their sales. Even when buying clothes, I have often mistakenly fallen for the salesperson’s opinions, but then often came home and realized that I bought the wrong size or that I misinterpreted what the salesperson said.
- **Sensory differences and cognitive rigidity:** While this does not seem to directly relate to money management, it may impact spending. The following is Evguenia’s experience: “When I walk into a store, I am overwhelmed by sights, sounds, and people. Even having prepared in advance, I can get distracted by other things in the store before I find the item I came for, which can make me confused. If there is anything unexpected about the item that I have not found throughout my research, like a wider shoe size than usual, it throws me off - I tend to buy the item anyway, since that is what I have prepared myself for. When I bring the item home, I either become anxious about going back to the store and facing a new situation with returning the item, or it takes me some time to get used to the fact that the item is not the best choice,

after all. I have already spent about two hundred dollars buying the wrong items that way, and have often ended up giving them away for free.” This is because it may be very difficult to sell an item once you have bought it, especially at a near-original price.

There are several possible solutions to the above problems. These solutions will require effort and dedication in the beginning. However, once one starts utilizing these strategies, it will become much easier and more routine to incorporate them into one’s daily life.

- **Create a budget for each month, in the form of a checklist.** Once you have completed each transaction, put a checkmark beside it, along with the actual amount you have spent on each transaction. Once you are done with all of the spending, compare the actual total amount you have spent to the total amount you have planned to spend. A sample budget may look like this:

JULY

Items	Planned (\$)	Spent (\$)
Rent	830.06	830.06
Groceries Week 1	50.00	57.20
Groceries Week 2	50.00	51.68
Groceries Week 3	50.00	49.50
Groceries Week 4	50.00	54.30
Eating Out	30.00	35.01
Total for the Month (\$)	1,060.06	1,077.75

- **Do not buy things spontaneously:** Stores often put out attractive items, like snacks, in the most visible places to encourage more spending. Clothing stores also tend to scatter all types of items around in order to encourage distraction and thus more buys. To avoid temptations, make a shopping list whenever you go shopping and buy only the items on that list. It is a good idea to keep a day planner and to write down anything that needs to be bought right away, such as when your toilet paper runs out. That way, later, you could just go through what you have written during the week in your day planner and put it together in your shopping list.
- **Do not go out for expensive occasions,** like dinners, clubbing, or cinema, with friends who push you to spend more than you have planned to spend. Instead, you could either tell them that you do not want to go

out or that you are busy. If going out with these people is absolutely necessary, such as for their birthday, make sure that you have planned to spend a certain maximum amount and do not exceed it. You may still remain friends with these people, but only spend time with them by enjoying less costly activities, such as meeting for coffee or coming over to each other's home.

- **When you have communication differences** and more sensitivity to your surroundings, perhaps along with processing delays when it comes to new stimuli and change, you may need to compensate for this by thoroughly researching for any novel purchase you make, i.e. any particular item which you do not routinely buy already. For example, if you buy almost the same groceries every week, that is not a novel purchase and does not need to be researched in advance. You know what to expect when buying these items. However, buying new shoes, for example, needs to be prepared for in advance. With shoes, you need to know what your size is, how to test whether shoes are the right size, what you should ask the storekeeper (do the shoes stretch?), what to look for (is the shoe too narrow? too wide? how much can I move my foot inside the shoe?). When being overwhelmed by stimuli in the store, your physical senses may not function properly. Therefore, you need to plan out the exact steps you will take once you get to the store and start surveying the item you would like to buy. This can either be done through independent research, consulting with people you trust (i.e. parents, partner, close friends) or you may even get someone who knows you well to go to the store with you and help you shop. From his experiences with buying a car, Todd has learned that he needs to do more research before buying something and that he needs to not rush into things. He didn't take the time to think through his purchases because the process of making the purchase was too overwhelming for him.
- **Remember that little things add up.** Keep a record of what you spend. Write down everything you spend money on, even the smallest things. Add up the total

amounts at the end of the week, month, year, etc. which allows you to see how much you are spending on little things like snacks, candies, drinks, accessories, etc.

- **Make the concept of money visual.** Spreadsheet software can be used to create graphs of amounts spent - pie charts can be especially useful. Another way of showing a budget visually is to create a pyramid with different amounts in different layers. The foundation layer would be the basic amount needed to survive - essential food, rent, transportation, and hydro/ electricity bills if not included. One layer above would be less important spending, such as going out to eat, and the following layers would represent less and less important spending. The person on the spectrum can be taught that the bottom layer needs to be built in order for the top layers to be laid on top of it. This can be used to teach prioritizing in spending.

The above steps should help anyone manage their money better, despite any challenges associated with ASD that may arise. However, money management is a complex skill to learn and will take a lot of time, experience, and patience on behalf of both the individual and those who assist him/her in the process.

Todd Simkover, MA candidate in Critical Disability Studies, ASD Consultant, Self-Advocate & Speaker;

Evguenia Ignatova, BA candidate in Psychology, Special Needs Consultant/Service Provider

DISCLAIMER: This document reflects the views of the author. It is Autism Ontario's intent to inform and educate. Every situation is unique and while we hope this information is useful, it should be used in the context of broader considerations for each person. Please contact Autism Ontario at info@autismontario.com or 416-246-9592 for permission to reproduce this material for any purpose other than personal use. © 2013 Autism Ontario 416.246.9592 www.autismontario.com