

Here's How to Handle the 5 Most Awkward Money Situations

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By Casey Bond

By [Casey Bond](#) • Posted in , • June 21, 2013



There are few emotions that elicit the same stomach-churning, cheek-burning response as embarrassment. All it takes is one awkward moment to ruin your day — and ability to look the other person straight in the face ever again. And of all the awkward situations we can encounter, **awkward money situations** tend to be some of the worst.

Below is a look at the most common, *awkward money situations* and how to handle them gracefully, so your relationship and wallet remain intact.

5 Awkward Money Situations and How to Handle Them

#1. You're asked to donate to yet another charity.

According to the recent Awkward Money Moments Survey by CouponCabin.com, 34 percent of respondents said being pressured to [donate to a charity](#) on behalf of a co-worker, family member or friend is the most awkward situation. "I know it happens to my wife and me all the time," says Certified Financial Planner, Hal Bundrick. "It can really get to be a burden, and the fact is, you just can't say 'yes' to everyone and stay on budget."

Bundrick, who founded personal finance site [TheMoneyPivot.com](#), explains simply declining is the best approach to dealing with this awkward money situation. "Simply replying 'Sorry, I just can't help this time' with a smile, but without further excuses or explanation, usually works best," he advises.

If you still feel awkward about flat-out declining, consider setting aside an annual budget toward donations. Once you've reached your limit, you can explain to friends and co-workers that you are sorry, but you have already used your charity budget for the year.

#2. An unreliable family member or friend asks to borrow money.

[Lending money to family](#) or friends is a generally sticky situation I always recommend avoiding. The problem is that lending money to a person changes your relationship from personal to business. You are now a lender and the other person your debtor, a dynamic that can easily strain a relationship.

Still, it can still be hard to say no to someone you're close with who is reaching out for help, even if that person has demonstrated a history of poor money management. So if you're waffling, consider the story [Bruce Specter](#) told me:

A few months ago, my sister called distressed, as our cousin in Florida asked to borrow \$1,000. This happened just before they were to go on a Caribbean cruise together. My sister was mortified as she watched our cousin go on a shopping spree, most likely with my sister's hard-earned money. Needless to say it severely damaged their relationship and I refuse to talk to her anymore.

To avoid situations like this, Association of Christian Financial Advisors Executive Director, Rob Drury, suggests thinking of a loan between family or friends (if you choose to extend one) as a gift instead so there's no resentment if it's never paid back.

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"It is simply not worth risking a cherished relationship," he says. "If the beneficiary chooses to consider it a loan and pay it back, so be it. If the money is paid back, there is a strengthening of trust; if not, the benefactor can have the satisfaction of helping someone important to him."

#3. Your roommates aren't pulling their weight financially.

Most adults have had to live with a roommate at some point in their lives, and have likely experienced the common pains of living with a semi-stranger. And often, the biggest stress points stem from money-related issues — i.e., someone isn't contributing their fair share.

Whether they're short on the rent each month or are eating your food without contributing to the [grocery budget](#), you can't afford to keep letting them get away with it.

Relationship expert, author, and voice of advice forum of [www.AskApril.com](#) explains the solution is a house meeting. "Bring the subject out in the open," April recommends. "If anyone laughs at you for being petty, don't let it get to you."

Set clear rules and expectations during your meeting, making it clear that your roommate will be your ex-roommate if they don't step up. April also recommends setting up the lease so that each person is responsible for an equal share of the rent, removing some of that financial burden from your shoulders.

#4. Someone asks an inappropriate question about your finances.

Some people are very open about their personal money matters, while others prefer to keep things private. Either way, most of us have some limit as to how much information we're willing to share.

But that's the key: It's one thing if you openly offer details to how much you spend on your new handbag or how much the boss offered to raise your salary, but some people will just ask without any regard for your willingness to answer — awkward.

In this type of situation, a polite but short reply is most appropriate; "I'm not comfortable answering that

question” should suffice. Don’t feel obligated to offer any other explanation. Your curt response should make it clear they overstepped a social boundary, and hopefully, will make them think twice about doing it again.

#5. Everyone wants to split the check, even though you ordered way less.

Nothing is more annoying than splitting a dinner check when everyone enjoyed expensive appetizers and cocktails while you had a simple entree. However, no one wants to look like the cheapskate who nickles and dimes their friends on the bill.

Maria Lin writes on [LearnVest.com](https://www.learnvest.com), “Keep in mind people aren’t being rude or callous when they decide to split the bill — they’re just thinking about convenience.”

Generally, if you’re with a group of people you’re not very close with or work acquaintances and the difference is less than \$5, it’s probably best to go ahead and split this time — and be better prepared the next time you go out with the same group.

You can also bring along cash and offer the precise amount you owe (including tax and 20% tip), rather than hand over a card, or simply ask the waiter to bring you a separate check.

Image: [EliJerma](#)