



Making a spending plan enables you to control your money instead of it controlling you.

Step 1: Look at your income

- Note dates that income will be received in the “pay days” column on the Spending Plan Worksheet on page 2.
- Enter your monthly net income (after taxes) from all sources in the “monthly total” column (jobs, alimony, child support, social security, welfare, unemployment, disability, rental income, etc.).
- For income received infrequently, estimate yearly total then divide by 12, then enter that total into the monthly total column.
- In the “periods 1-4” columns record which week of the month the income will be realized. This will later be used to ensure that your income will be available to meet your estimated expenses for each week.
- Move totals down to the Summary section of the Spending Plan.

Step 2: Make a spending plan

- Note the due date of each expense.
- Estimate each expense category as accurately as possible in the “monthly total” column. There are 3 types of expenses:
 - **Fixed Expenses** normally stay the same each month and must be paid to maintain essential goods or services such as: rent/mortgage, car payments, and insurance payments.
 - **Variable Expenses** are usually paid each month, but you have some control over the amount spent as: food, personal care, and clothing. Estimate the monthly expenditures as accurately as possible, or figure the monthly average by taking your total annual expense and dividing by 12.
 - **Periodic Expenses** (*) don’t occur every month such as: car repair/maintenance, taxes, and medical expenses. These expenses can catch you by surprise and wreak havoc with your Spending Plan, so set money aside for them every month. Take the entire projected yearly amount and divide by 12.
- Record which week of the month the expense will be due in “week 1-4” columns. Ensure expenses are evenly distributed within columns. If expenses are too high during one week move them to another so that there will be enough income in that week to cover the expenses.
- Move totals on to the Summary section of the Spending Plan.

Step 3: Include your debt and credit obligations

- List all of your non-mortgage debt payments not included elsewhere in your Spending Plan including credit cards, student loans, lines of credit, bank loans, etc. Note the total debt and then the monthly payment for each.
- Move the total of B to the Summary section of the Spending Plan. Move the total of A to the liabilities section of the Balance Sheet on page 5.

Step 4: Sum it all up

- Add your monthly expenses and your monthly debt payments to determine your total monthly expenses.
- Determine your monthly balance (+) or deficit (-) by subtracting your monthly expenses from your income.
- If you have a positive monthly balance—congratulations! Set some new financial goals and work them into your spending plan.
- If you have a monthly cash shortage, start with the variable expenses and review your spending plan to determine where you can cut back your expenses.

Spending Plan Worksheet

Income	Pay days	Monthly total	Week 1	Week 2	Week 3	Week 4
Job						
Spouse's job						
Total						

Expense	Due date	Monthly total	Week 1	Week 2	Week 3	Week 4
Rent/mortgage						
Gas/electric						
Water/sewer/garbage						
Telephone/long distance						
Groceries						
Entertainment/eating out						
Car payment						
Gas/public transit						
Auto maintenance/repairs*						
Auto insurance*						
DMV registration/smog*						
Doctor/dentist/therapy*						
Clothing						
Laundry/dry cleaning						
Personal care						
Gifts/holiday expenses*						
Emergency savings						
Debt payments						
Other**:						
Other**:						
Other**:						
Other**:						
Other**:						
Other**:						
Total						

* Periodic Expenses **Other Expenses: cable TV, health/dental insurance, life insurance, child care, alimony/child support, tobacco/alcohol, medications, property taxes/insurance, home maintenance, homeowners association dues, vacations, school expenses, subscriptions, donations, pet care, tax payments, etc.

Spending Plan Worksheet (continued)

Credit and debt obligations	Amount owed	Monthly payment
Total	A	B

Move the total from box "A" to the liabilities section of the balance sheet on the last page.
Move the total from box "B" to the summary section below.

	Monthly total	Week 1	Week 2	Week 3	Week 4
Total monthly income					
Monthly expenses					
Monthly debt payments (B)					
Balance (+)/Deficit (-)					

Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Yearly Total
Job													
Spouse													
Other													
Other													
Monthly Totals													
Expenses	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Yearly Total
Rent/mortgage													
Gas/electric													
Water/sewer/garage													
Telephone/long distance													
Groceries													
Entertainment/eating out													
Car payment													
Gas/public transit													
Auto maintenance/repairs*													
Auto insurance*													
DMV registration/smog*													
Doctor/dentist/therapy*													
Clothing													
Laundry/dry cleaning													
Personal care													
Gifts/holiday expenses*													
Emergency savings													
Debt payments													
Other**													
Other**													
Other**													
Monthly Totals													

*Periodic Expenses

**Other Expenses: cable TV, health/dental insurance, life insurance, child care, alimony/child support, tobacco/alcohol, medications, property taxes/insurance, home maintenance, homeowners association dues, vacations, school expenses, subscriptions, donations, pet care, tax payments, etc.

Are Your Finances in Balance?

Your monthly salary and your installment loans are only a part of your total financial picture. To determine your Net Worth, subtract your total liabilities (what you owe) from your total assets (what you own).

Assets

Liquid assets:

Checking account	_____	
Savings account	_____	
Money market	_____	
Certificates of deposit	_____	
Securities (stocks, bonds, mutual funds)	_____	
Life insurance (cash value)	_____	
Other	_____	
Total liquid assets		\$ _____

Other assets:

Retirement accounts	_____	
Company pension	_____	
Annuities	_____	
House (market value)	_____	
Other real estate	_____	
Automobiles	_____	
Personal property (jewelry, furniture, etc.)	_____	
Total other assets		\$ _____

Total assets		\$ _____
---------------------	--	----------

Liabilities

Mortgage (first)	_____	
Mortgage (second, equity line)	_____	
Automobile Loans	_____	
Credit Cards (total from 10)	_____	
Other Loans	_____	
Other Debts	_____	
Total liabilities		\$ _____

Net worth

Total Assets minus Total Liabilities		\$ _____
---------------------------------------------	--	----------