

Eight Easy Exercises for Financial Fitness

Plan Your Spending



A spending plan puts you in charge of your money. It will help you reach your financial goals.

These exercises will help you make a spending plan that works for you.



EMPOWERMENT THROUGH EDUCATION

Exercise 1



Fixed Spending

Write down amounts you spend each month on each of the following:

- Savings (Pay Yourself First) _____
 - Rent/Mortgage _____
 - Utilities
 - Electricity _____
 - Gas/Propane/Oil _____
 - Phone _____
 - Cable/Satellite _____
 - Water _____
 - Trash _____
 - Child Care/Child Support _____
 - Insurance (if paid monthly)
Type: _____

 - Car Payment _____
 - Rent-to-Own _____
 - Other _____
 - Debt Payments _____

- TOTAL (A)** _____



Exercise 2








Flexible Spending



Write down the amount you think you spend each month on each flexible expense.

- Food
 - at home _____
 - away from home _____
 - Household operations (cleaning supplies, paper products, etc.) _____
 - Telephone
 - over-the-limit/long distance _____
 - Transportation
 - gas/bus/taxi _____
 - repairs _____
 - Medications/Medical _____
 - Clothing
 - purchases _____
 - care (laundry/dry cleaning) _____
 - Personal Care _____
 - Allowances for self/children _____
 - Entertainment _____
 - Pets _____
 - Other _____
 - Other _____
- TOTAL (B)** _____



ITEM		Jan.	Feb.	March	Apr.	May
Automobile 	License					
	Inspection					
	Oil Change/Maintenance					
	Insurance (if not monthly)					
Home 	Repairs/Maintenance/Yard					
	Insurance (Home Owner's/Renter's)					
	Furnishings					
Holidays/Birthdays/ Vacation/ Entertainment 	Gifts/Cards					
	Travel					
	Entertaining/Parties					
Medical 	Doctor Visits					
	Dental					
	Prescriptions					
	Vision					
School 	Fees/Tuition					
	Supplies/Books					
	Class Trips/Pictures/etc.					
Dues/Subscription 	Magazines/Papers					
	CDs, Book clubs					
	Memberships/Clubs					
Clothes/Shoes 	Children					
	Adults					
Other						
Other						
Total						

Exercise 4

Set Aside for Emergencies

An emergency fund can reduce stress if something completely unexpected happens:

- your income decreases
- you have an accident or illness
- your car breaks down



What emergencies could happen in your life?

- _____
- _____
- _____

How much money do you need in your emergency fund?

- 1 month's basic expenses _____
- 1 – 3 month's rent plus other basic expenses _____

How much can you set aside each month for emergencies?

(D) _____



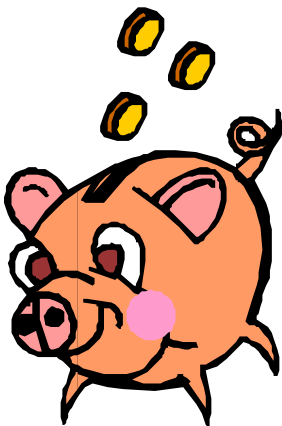
Exercise 5



Set Aside for Things You Want

Think about your financial goals. Be specific and set a date you want to reach each one so you will know how much money you must save each month. Choose goals you can accomplish without being frustrated. You will enjoy a feeling of accomplishment as you reach them.

For example, if in **three to six months** you want to:



- pay off \$300 in credit card debt,
- save \$250 for tuition for a class, or
- buy 3 tickets to an amusement park

and in **6 months to 1 year**, you want to:

- save \$1000 for a down payment on a used car, or
- save \$600 for a vacation with your family,

you might want to make a chart like the one below to start saving for goals. Fill in the chart with your personal financial goals.

Your Personal Financial Goals	Target Date	Number of Months to Date	Total Needed	\$\$ to Save Monthly
1				
2				
3				
4				
5				
Total Monthly Savings Needed (E)				

Exercise 6

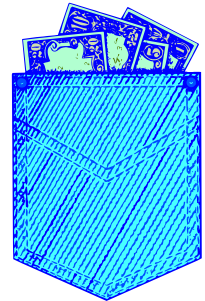
Add Up Take Home Income

(After Taxes)

Income earned each month:

- Wages _____
- Tips _____

Total Earned (a) _____



Other monthly income:

- Child Support _____
- Social Security _____
- Unemployment _____
- Food Stamps _____
- Ohio Works First _____
- Gifts _____
- Alimony _____
- Interest _____
- Other _____

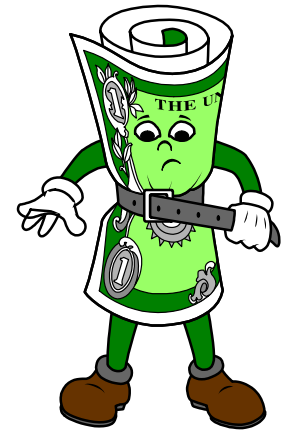
Total Other (b) _____

Total Income F (a + b) _____



Exercise 7

Balance the Bottom Line



Income: (F p. 7) _____

Expenses:

\$ fixed (A p. 1) _____

\$ flexible (B p. 2) _____

\$ occasional (C p. 4) _____

\$ emergencies (D p. 5) _____

\$ goals (E p. 6) _____

Total: _____

Difference: _____

Do your income and expenses match?

Do you need to make changes to make your spending plan work?

Making the Spending Plan Balance

- Increase Income
- Reduce Expenses
- Catch Spending Leaks
- Sign up for the Earned Income
- Credit and/or Child Tax Credit
- Consider Gifts from Family
- Barter for Services



Exercise 8

Take Action

Once you have a beginning plan, you can use it to help you on the road to financial fitness.

To become financially fit, I will start with the following actions:

1. _____
2. _____
3. _____

You may want to use one of the following Ohio State University Extension resources to help you. They are available from your local OSU Extension office.



- Counting Your Money Calendar, HEMG001, \$2.00 (plus T, P & H)
- Budget-in-a-Box Envelope Set, HEMG003, \$2.75 (plus T, P, & H)
- Budget-in-a-Box Tip Sheets, HEMG004, \$4.25 (plus T, P, & H)
- In Over Your Head, Life Saving Strategies for Financial Crisis, Bulletin 891, \$2.25 (plus T, P, & H)

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