

Income and Expense Worksheet

Overview

A worksheet to help you track your income and expenses.

- Monthly income and expenses
- Tracking cash spending
- Calculating seasonal and uneven expenses
- Adding it all together
- Worksheet

You may be familiar enough with your income and spending patterns and your levels of savings and borrowing to fill in parts of the worksheet right now, either by yourself or with the help of others in your household.

Some details, however, may require some research. Keep in mind that this worksheet is to help you see where you stand with your money. It doesn't have to be accurate to the penny. "Pretty good" information is better than no information at all if it helps you understand your financial picture.

Monthly income and expenses

Start by filling in the information you know. Then look at those items you left blank or guessed at without much confidence. You can fill in some of these missing numbers by looking through bills you've paid, including credit card statements, or by sorting through bank statements to find canceled checks. Cash spending will take some creative effort to track. Spending on seasonal items, too, or those for which your payments vary greatly from month to month, will take some extra research and calculation to fit into a monthly format.

The worksheet includes a place to record your pre-tax retirement savings contributions. (This includes contributions to a 401(k) or other pre-tax savings plan.) You may want to list any contributions your spouse or partner is making to such a plan and consider if you want to maintain that level of contribution. Following a layoff, some people temporarily reduce or eliminate such contributions to stretch their budget.

Tracking cash spending

One way to find out how much cash you spend is to pay careful attention to your spending for two weeks or a month. (One week may not be enough to give a full picture, and a longer sample is likely to be too much work.) Keep receipts for every cash expense during the time you choose, or note spending on a pocket-sized pad of paper. At the end of the period, sort the receipts or review your notes and add up how much you spent on lunches, groceries, movies, laundry, gas, cigarettes, and the other categories on the worksheet. If you've tracked spending for two weeks, multiply the amounts by 2.16 to get a monthly spending estimate.

Calculating seasonal and uneven expenses

Some bills are due once a year, such as car registration fees and excise taxes; some are due semiannually or quarterly, such as property taxes; and some, such as

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insurance and heating bills, may be high in some months and low in others. Other spending -- on clothing, car repairs, and gifts, for example -- occurs unevenly, with big expenses in some months and small or no expenses in others. For all of these expenses, you will need to find copies of past bills or other spending records and estimate what you would pay each month if the payments were spread evenly throughout the year.

- For a quarterly tax bill, this is a simple matter of dividing the last payment by three (since the bill covered a three-month period).
- For bills due just once a year, divide by 12 to get a monthly average.
- For seasonal and uneven expenses, find out what you paid during all of last year by looking through bills, canceled checks, and credit card statements, or simply by estimating cash payments. Then divide that annual total by 12.
- For weekly expenses, multiply by 4.33 to get an estimate of monthly spending.

Adding it all together

Once you've filled out the worksheet as completely as you can, subtract monthly spending from monthly income. This gives you a snapshot of your financial picture.

If your expenses are greater than your income, the worksheet can help you see what might be causing the shortfall and where you might need to cut back or reduce expenses.

It can be hard to make do with less when finances are tight. By filling out the worksheet, you can figure out where to make changes in your budget and adjust your plan before you reach the crisis point.

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Food/clothing

- Groceries
- Work/school lunches
- Clothing
- Laundry/dry cleaning
- Total food/clothing**

Actual spending Budget

Health care

- Life/disability/long-term care insurance
- Medical/dental/vision premiums
- Medical/dental/vision out-of-pocket
- Total health care**

Family

- Child/older adult care
- Education/tuition
- Child support/alimony payments
- Lessons/camp/sitters
- Allowances
- Total family**

Leisure and recreation

- Eating out
- Entertainment/hobbies
- Cable TV
- Books/magazines/newspapers
- Fitness club
- Classes/lessons
- Vacation/travel
- Total leisure and recreation**

Saving/investing

- For emergencies
- For retirement/other
- For college
- Total savings/investing**

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Other expenses

Health/beauty

Personal gifts

Contributions/donations

Pet care

Professional/union dues

Alcohol

Tobacco

Actual spending Budget

Total monthly expenses

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Net monthly cash flow

(Income minus expenses)

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