

## Spending Assessment Worksheet\*

	Needs (50%)		Wants (30%)		Savings (20%)		
	Description	Amount	Description	Amount	Description	Amount	
Housing	Mortgage/rent, property/renters ins., property taxes				Maintenance & repairs, new furniture, remodeling		
Utilities	Electricity, gas, water, sanitation, basic phone service, dial-up internet access		Extra phone services, extended cell phone plans, high speed internet access				
Food	Basic groceries and household supplies		Restaurants, fast food, high end groceries				
Health Care	Medical & dental premiums; out-of-pocket costs for doctors, dentists, prescriptions)				Medical emergencies, cosmetic surgery		
Car/Truck	Insurance, gas, tags & inspections, parking for work				Maintenance & repairs, replacement		
Other Insurance	Premiums for life, medical, dental, disability, long term care(?) insurance						
Clothing	Basic clothing		Extra clothing (style and quantity)				
Donations	Church pledge		Other church; schools and charities				
Debt	Contractual (Car, student, home equity & installment loans; cell phone, gym & other contracts; alimony, child support)				Credit card debt, past due medical bills, loans from relatives, and other unsecured debt		
Clothing	Basic		Latest styles, more variety				
Children	School fees/supplies, basic activities (i.e., scouts)		More expensive schools, activities		College		
Entertainment	Basic cable, magazine subscriptions, low cost activities		Premium cable, satellite, more/more expensive activities, baby sitters		Vacations		
Other					Retirement (410k, IRA, etc.)		
Other					All Other (Short term emergencies, etc.)		
<b>Total Needs</b>			<b>Total Wants</b>			<b>Total Savings</b>	
<b>% of After-Tax Income</b>			<b>% of After-Tax Income</b>			<b>% of After-Tax Income</b>	

\* Adapted from "All Your Worth, The Ultimate Lifetime Money Plan" by Elizabeth Warren & Amelia Warren Tyagi  
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- **Needs:** When trying to distinguish between Needs and Wants, think about things like these (and be honest with yourself):
  - Is it necessary for you and your family to be safe and maintain a healthy lifestyle?
  - Is it necessary for anyone in your family to keep or do their job?
  - Is it something that you would try to keep paying if you lost your job?
  - Is it something you could live without for a period of time like six months or so?
- **Medical premiums and other amounts withheld from your paycheck:** Except for taxes (income, Social Security, Medicare, etc.), amounts withheld from your paycheck for things like medical and dental premiums, life insurance and 401(k) savings should be included in the appropriate category just as if they weren't withheld and you instead paid for them like any other bill.
- **Credit card debt:** Amounts that you are paying on old balances that you are carrying over from month to month go in the "Savings" column. These amounts represent negative savings – a draw against your future. The same goes for any current charges that you're not paying off when the bill comes in. In other words, if your outstanding balance is increasing, that's even more negative savings; you're spending money you don't have. Credit card charges that you're paying off as soon as they show up on your statement should be included in the appropriate category for each charged amount.
- **Converting to monthly:** Many items will not be monthly and so you will need to calculate the equivalent monthly amount. Do this by first converting to an annual amount and then dividing by 12. For example:
  - Annual payments like homeowner's/renter's insurance and property taxes are easy, of course – just divide by 12.
  - If you have some expense that is paid every two weeks, multiply by 26 to get an annual amount and then divide by 12.
- **Variable expenses:** Many expenses, like utility bills, fluctuate from month to month. Use an average for these. Where there are large variations over the course of a year (like electricity in the summer months), use a longer period so that you capture both the highs and the lows.
- **% of After-Tax Income:** Divide your total Wants, Needs and Savings by the amount of your gross income minus amounts withheld for taxes (income, Social Security, Medicare, etc.). This will NOT be your take-home pay because it will include the amounts normally withheld for benefits, for example.