**PERSONAL BUDGETING WORKSHEET**

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**CLASS PERIOD: \_\_2\_\_**

**Introduction Article Questions:**

1. According to the article, what are **5 arguments** couples have about money?

* Spending Habits
* Dishonesty
* Division of Money
* Forgetting to pay a bill
* Financial Priorities

1. What **percentage of Gen Xers** and **what percentage of Baby Boomers** ended their marriages over money issues?

41% Gen X’ers

29% Boomers

1. From **Kelly’s** story near the end of the article, **what was the problem** that led to their breakup?

They couldn’t agree on how to spend the money and if they were in a place to be spending their money

**Skills Toolbox Questions:**

From the tab titled, **“Why Budget?”**

1. What are the **seven reasons** this tab gives for creating and maintaining a budget?
   1. Reduce marital conflict
   2. Get out of debt
   3. Living with your means
   4. Create saving
   5. Reduce anxiety
   6. Spend your money more wisely
   7. Make your money last longer
2. What are **5 ways** a budget helps **reduce marital strife**?
   1. More insight into where money goes
   2. Clearly define who is responsible for what expense
   3. Separate financial responsibility and reduce surprises
   4. Define ahead of time how much money is available
   5. Help both partners talb more openly about money
3. How does a budget help you **get out of debt**?

Ensures that you make payments on a regular basis and calculate when it will be paid off.

1. Why is it important to be able **to live within your means**?

That way you spend the money that you actually are capable of spending without going into debt.

1. What are **three big things** you want to **save** for?

* College
* Future / Retirement
* Emergency Fund

1. Why does a budget **reduce anxiety**?

Helps you develop insight into how you are spending your money and where it’s going to help reduce fears you have.

From the tab titled**, “How to Budget”.**

1. What are the **three steps** to creating a budget?

* Calculating Income
* Defining Expenses
* Tracking Spending

From the tab titled, **“Calculate Income”.**

1. Why is choosing a **monthly time period** most useful?

It’s mainly based off of when you get paid or whats most convenient for you

1. Why does the author suggest using a **“pessimistic” approach** to calculating income? Do you agree with this approach?

Yes, always you use the least amount possible so that you can save for the future

1. There are **11 categories of income** listed. Which apply to you?

* Paycheck
* Tips

From the tab titled, **“Defining Expenses”.**

1. Have you ever tracked your own spending? Was it easy to do?

Nope

1. How long do you think you should track spending to see where your money goes in order to make an accurate assessment of spending?

Probably about 3 months to take into account any miscellaneous expenses throughout those 3 months.

1. There are **17 budget categories** listed in this tab with **85 line-items**. Do you think that this creates anxiety for people? Why or why not?

Most likely, there are a lot of expenses that must be kept track of and missing one could be very detrimental.

1. **Which line-items in each category** do you think you are most likely to need to prepare your budget?

* Health
* Food
* Housing
* Car & Transportation
* Personal

**FOR EXTRA CREDIT:** *(copy and paste your work here)*