

Financial Literacy: Personal Budget Project

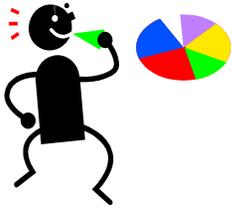
Name: _____



TASK 1: Money Tracker Assignment

(31 points)

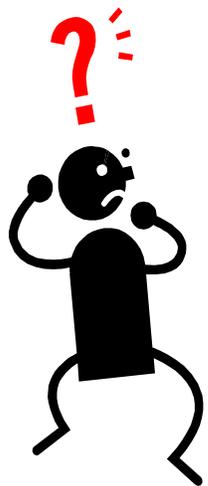
Ensure your October money tracker file is up to date. This should include a record of all of the money coming in (Income) and money going out (Expenses) for the month of October. Print one copy of your money tracker file—please show this to your teacher **BEFORE** printing.



TASK 2: Income Statement

(16 points)

Using the data in your Oct. money tracker file, prepare a personal Income Statement (8) for the month ended October 31, 2016. In a new column after the expense amounts, label each of your expenses as either a “Need” or a “Want”. Create a pie chart (4) which differentiates what you spent on needs vs. wants. Create another pie chart that depicts your expenditures vs. savings. (4) Place these charts below your Income Statement. Print one copy of your Income Statement with pie charts—please show this to your teacher **BEFORE** printing.



TASK 3: Money Management Analysis

(21 points)

In a new Word document, answer the following questions:

1. Is the income you reported for October typical of what you would make on average every month? Explain why or why not. (2)
2. Do you have any “fixed” expenses or are most of them considered variable? Explain. (2)
3. Did the breakdown of your expenses based on needs vs. wants surprise you? Explain why or why not. (2)
4. Did you set aside a specific amount of money to save this month? Why or why not? If you answered yes, what percentage of your total income did you save? (2)
5. Did you set aside a specific amount of money for an emergency fund this month? Why or why not? If you answered yes, how much did you set aside for this fund? (2)
6. Do you currently have any debts to pay off? If you answered yes, how much money do you owe and what did you set aside for debt repayment this month? (2)
7. If you have extra money at the end of the month, would it make more sense to pay down your debt or to save? Explain your answer. (2)
8. Briefly outline your short-term and long-term financial goals. (3)
9. Think carefully about how you managed your money in the month of October. What changes would you like to make to your money management practices for next month? Provide at least four different points in your answer. (4)



TASK 4: Budgeting Basics—November Budget (20 points)

Part A: Construct a budget template that makes sense for you and your current financial position (i.e. only include Income descriptors and Expense descriptors that apply to you). Remember to adhere to the following steps when creating a budget: (15)

1. Input Income
2. Input Fixed Expenses
3. Savings (5-10% of Income)/Emergency Fund
4. Debt Repayment
5. Variable Expenses

Part B: Prepare a short report that outlines what changes you plan to make in your money management for Nov. compared to Oct. (i.e. defend your budget). Identify how these changes will help you to reach your short term and long-term financial goals. (5)