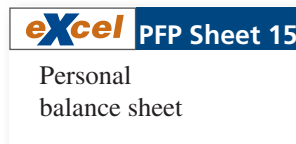


Preface

This Personal Financial Planner is designed to help you create and implement a personal financial plan.

Items to consider when using this Personal Financial Planner

1. Since these sheets are designed to adapt to every personal financial situation, some may be appropriate for you at this time while others will not be used until later in your life.
2. The sheets are referenced to specific pages in the textbook. To help you use these sheets with the appropriate text material, the following textbook icon (appearing as appropriate with the Practice Quizzes) will refer you to the appropriate sheet.



3. Some sheets will be used more than once (such as preparing a personal cash flow statement or a budget). You are encouraged to photocopy additional sheets as needed, or print additional copies from the Excel templates at www.mhhe.com/kdh.
4. To assist you with using online information sources for financial planning activities, suggested websites and apps are presented on the sheets.
5. Finally, remember personal financial planning is an ongoing activity. With the use of these sheets, textbook material, and your efforts, an organized and satisfying personal economic existence can be yours.

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Name: _____ Date: _____

Personal Data

Purpose: To provide quick reference for vital household data.

Instructions: Provide the personal and financial data requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.money.com www.kiplinger.com www.moneycafe.com

Name	_____	_____
Birth date	_____	_____
Marital status	_____	_____
Address	_____	_____
Phone	_____	_____
E-mail	_____	_____
Social Security no.	_____	_____
Driver's license no.	_____	_____
Place of employment	_____	_____
Address	_____	_____
Phone	_____	_____
Position	_____	_____
Length of service	_____	_____
Checking acct. no.	_____	_____
Financial institution	_____	_____
Address	_____	_____
Phone	_____	_____

Dependent Data

Name	Birth date	Relationship	Social Security no.
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

What's Next for Your Personal Financial Plan?

- Identify financial planning experts (insurance agent, banker, investment adviser, tax preparer, others) you might contact for financial planning information or assistance.
- Discuss with other household members various financial planning priorities.



Name: _____ Date: _____

Financial Institutions and Advisers

Purpose: To create a directory of personal financial institutions and financial planning professionals.

Instructions: Supply the information required in the spaces provided. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.20somethingfinance.com www.bankrate.com

Attorney

Name _____
Address _____

Phone/Fax _____
Website _____
E-mail _____

Primary Financial Institution

Name _____
Address _____

Phone/Fax _____
Website _____
Checking acct. no. _____
Savings acct. no. _____
Loan no. _____

Insurance (Home/Auto)

Agent _____
Company _____
Address _____

Phone/Fax _____
Website _____
Policy no. _____
E-mail _____

Credit Card 1

Issuer _____
Address _____

Phone/Fax _____
Website _____
Acct. no. _____
Exp. date _____
Limit _____

Credit Card 2

Issuer _____
Address _____

Phone/Fax _____
Website _____
Acct. no. _____
Exp. date _____
Limit _____

Tax Preparer

Name _____
Firm _____
Address _____

Phone/Fax _____
Website _____
E-mail _____

Insurance (Life/Health)

Agent _____
Company _____
Address _____

Phone/Fax _____
Website _____
E-mail _____
Policy no. _____

Investment Broker

Name _____
Address _____

Phone/Fax _____
Website _____
E-mail _____
Acct. no. _____

Real Estate Agent

Name _____
Company _____
Address _____

Phone/Fax _____
Website _____
E-mail _____

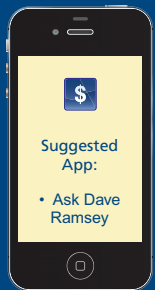
Investment Company

Name _____
Address _____

Phone _____
Fax _____
Acct. no. _____
E-mail _____
Website _____

What's Next for Your Personal Financial Plan?

- Talk to various personal and professional contacts to determine factors to consider when selecting various financial planning advisers.
- Identify additional financial planning contacts that you might consider using in the future.



Name: _____ Date: _____

Personal Financial Goals

Purpose: To identify personal financial goals and create an action plan. (pp. 15–18)

Instructions: Based on personal and household needs and values, identify specific goals that require action. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.financialplan.about.com www.planwise.com www.20somethingfinance.com

Short-Term Monetary Goals (less than one year)

Description	Amount needed	Months to achieve	Action to be taken	Priority
<i>Example: pay off credit card debt</i>	<i>\$850</i>	<i>10</i>	<i>Use money from pay raise</i>	<i>High</i>

Intermediate and Long-Term Monetary Goals

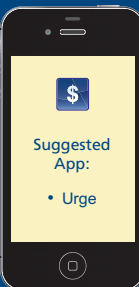
Description	Amount needed	Months to achieve	Action to be taken	Priority

Nonmonetary Goals

Description	Time frame	Actions to be taken
<i>Example: set up system for personal financial records and documents</i>	<i>Next 2–3 months</i>	<ul style="list-style-type: none"> • <i>Locate personal and financial records and documents.</i> • <i>Set up spreadsheet for various spending, saving, borrowing categories.</i>

What's Next for Your Personal Financial Plan?

- Based on various financial goals, calculate the savings deposits necessary to achieve those goals.
- Analyze current economic trends that might influence various saving, spending, investing, and borrowing decisions.





Name: _____ Date: _____

Current Economic Conditions

Purpose: To monitor selected economic indicators that might influence your saving, investing, spending, and borrowing decisions. (pp. 11–15)

Instructions: Using *The Wall Street Journal*, an Internet search, or other sources of economic information, obtain current data for various economic factors. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

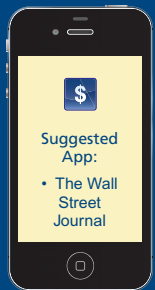
Suggested websites: www.bls.gov www.federalreserve.gov www.wsj.com www.ft.com

4

Economic Factor	Recent Trends	Possible Financial Planning Actions
<i>Example: Mortgage rates</i>	<i>Decline in mortgage rates</i>	<ul style="list-style-type: none"> • Consider buying a home. • Consider refinancing an existing mortgage.
Interest rates		
Consumer prices		
Other: _____		
Other: _____		
Other: _____		

What's Next for Your Personal Financial Plan?

- Determine the economic factors that could affect your personal financial decisions in the next few years.
- Identify actions to take as a result of various current economic trends.



Time Value of Money

Purpose: To calculate future and present value amounts related to financial planning decisions. (pp. 19–23; 34–45)

Instructions: Use a calculator or future/present value tables to compute the time value of money. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.dinkytown.net www.kiplinger.com/tools www.grunderware.com

Future Value of a Single Amount

(Use Exhibit 1–A in Chapter 1 Appendix)

- to determine future value of a single amount
- to determine interest lost when cash purchase is made

$$FV = PV (1+i)^n$$

current amount	times	future value factor	equals	future value amount
\$ _____	×	\$ _____	=	\$ _____

Future Value of a Series of Deposits

(Use Exhibit 1–B in Chapter 1 Appendix)

- to determine future values of regular savings deposits
- to determine future value of regular retirement deposits

$$FV = \text{Annuity} \frac{(1+i)^n - 1}{i}$$

regular deposit amount	times	future value of annuity factor	equals	future value amount
\$ _____	×	\$ _____	=	\$ _____

Present Value of a Single Amount

(Use Exhibit 1–C in Chapter 1 Appendix)

- to determine an amount to be deposited now that will grow to desired amount

$$PV = \frac{FV}{(1+i)^n}$$

future amount desired	times	present value factor	equals	present value amount
\$ _____	×	\$ _____	=	\$ _____

Present Value of a Series of Deposits

(Use Exhibit 1–D in Chapter 1 Appendix)

- to determine an amount that can be withdrawn on a regular basis

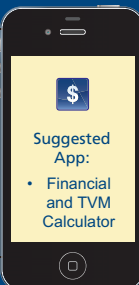
$$PV = \text{Annuity} \frac{1 - \frac{1}{(1+i)^n}}{i}$$

regular amount to be withdrawn	times	present value of annuity factor	equals	present value amount
\$ _____	×	\$ _____	×	\$ _____

Note: A financial calculator or spreadsheet software may be used for future value and present value calculations.

What's Next for Your Personal Financial Plan?

- Identify various financial goals that require time value of money calculations.
- Research current interest rates to determine a rate that you might use when calculating time value of money for various personal financial goals.





Name: _____ Date: _____

Career Research Sheet

Purpose: To become familiar with work activities and career requirements for a field of employment. (pp. 48–54)

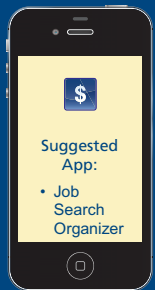
Instructions: Using various information sources (library materials, interviews, websites), obtain information related to one or more career areas of interest to you. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.mappingyourfuture.org www.ajb.dni.us

Career Area/Job Title		
Nature of the work General activities and duties		
Working conditions Physical surroundings, hours, mental and physical demands		
Training and other qualifications		
Job outlook Future prospect for employment in this field		
Earnings Starting and advanced		
Additional information		
Other questions that require further research		
Sources of additional information Publications, trade associations, professional organizations, government agencies, websites		

What's Next for Your Personal Financial Plan?

- Identify various employment activities and industries of interest to you.
- Discuss existing and future career opportunities with various people.



Name: _____ Date: _____

Career Contacts

Purpose: To create a guide of professional contacts. (pp. 56–59)

Instructions: Record the requested information for use in researching career areas and employment opportunities. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

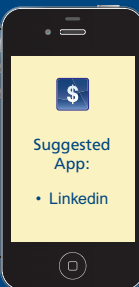
Suggested websites: www.rileyguide.com www.careerjournal.com

Name	_____
Organization	_____
Address	_____ _____
Phone	_____
Fax	_____
Website	_____
E-mail	_____
Date of contact	_____
Situation	_____
Career situation of contact	_____
Areas of specialization	_____
Major accomplishments	_____

Name	_____
Organization	_____
Address	_____ _____
Phone	_____
Fax	_____
Website	_____
E-mail	_____
Date of contact	_____
Situation	_____
Career situation of contact	_____
Areas of specialization	_____
Major accomplishments	_____

What's Next for Your Personal Financial Plan?

- Identify various people whom you might contact to obtain career information.
- Prepare specific questions to ask people about career fields and the application process.





Name: _____ Date: _____

Résumé Planning

Purpose: To inventory your education, training, work background, and other experiences for use when preparing a résumé. (pp. 75–79)

Instructions: List dates, organizations, and other data for each of the categories given below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.monster.com www.rileyguide.com

Education

Degree/programs completed	School/location	Dates

Work Experience

Title	Organization	Dates	Responsibilities

Other Experience

Title	Organization	Dates	Responsibilities

Campus/Community Activities

Organization/location	Dates	Involvement

Honors/Awards

Title	Organization/location	Dates

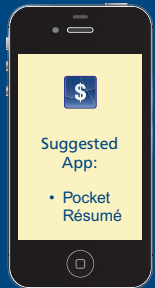
References

Name	Title	Organization	Address	Phone

Note: See Exhibit 2-B, Page 77 for résumé format suggestions.

What's Next for Your Personal Financial Plan?

- Create a preliminary résumé and ask others for suggested improvements.
- Conduct research to obtain samples of effective résumé formats.



Name: _____ Date: _____

Cover Letter Planning

Purpose: To outline an employment cover letter. (pp. 80–81)

Instructions: Prepare the preliminary draft of a cover letter for a specific employment position. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.monster.com www.rileyguide.com

Name	_____
Title	_____
Organization	_____
Address	_____
Phone	_____
Fax	_____ E-mail _____
Information about Employment position available	_____
Organizational information	_____

Introduction: Get attention of reader with distinctive skills or experience; or make reference to a mutual contact.

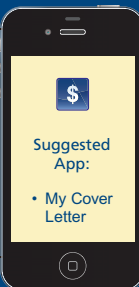
Development: Emphasize how your experience, knowledge, and skills will benefit the needs of the organization in the future.

Conclusion: Request an interview; restate any distinctive qualities; tell how you may be contacted.

Note: See sample cover letter (Exhibit 2-C) on page 81.

What's Next for Your Personal Financial Plan?

- Research examples of effective cover letters.
- Prepare a preliminary cover letter and obtain comments for improvements from others.





Name: _____ Date: _____

Prospective Employer Research

Purpose: To obtain information about an organization for which an employment position is available. (p. 81)

Instructions: Use research sources to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.careerbuilder.com www.hoovers.com www.annualreports.com

Organization _____

Address _____

Contact _____

Title _____

Phone _____

Fax _____ E-mail _____

Website _____

Title of position _____

Major products, services, and customers

Locations of main offices, factories, and other facilities

Major historical developments of the company

Recent company and industry developments

Required skills and experience

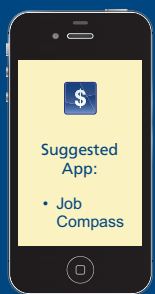
Major responsibilities and duties

Employee benefits

Other comments

What's Next for Your Personal Financial Plan?

- Prepare a list of organizations and information you might obtain when researching these companies.
- Conduct library and online research about specific organizations in which you are interested.



Name: _____ Date: _____

Interview Preparation

Purpose: To organize information and ideas for a job interview. (pp. 81–85)

Instructions: Prepare information for the items listed. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.rileyguide.com www.careerbuilder.com

Organization	_____
Address	_____ _____
Contact	_____
Title	_____
Phone	_____
Fax	_____ E-mail _____
Website	_____
Title of position	_____
Date/time/location of interview	_____

Required skills and experience

Major responsibilities and duties

Questions you expect to be asked

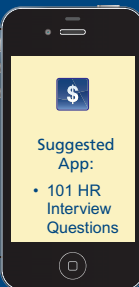
Major ideas you plan to emphasize

Questions you plan to ask

Other comments

What's Next for Your Personal Financial Plan?

- Prepare preliminary answers for potential interview questions. (see p. 82)
- Have others ask you questions in a practice interview setting.





Name: _____ Date: _____

Employee Benefits Comparison

Purpose: To assess the financial and personal value of employment benefits. (pp. 62–65)

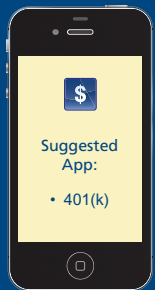
Instructions: When comparing different employment situations or when selecting benefits, consider the factors listed below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.benefitnews.com www.dol.gov/ebsa

Organization		
Location		
Phone		
Contact/title		
Health insurance Company/coverage Cost to be paid by employee		
Disability income insurance Company/coverage Cost to be paid by employee		
Life insurance Company/coverage Cost to be paid by employee		
Pension/retirement Employer contributions Vesting period Tax benefits Employee contributions		
Other benefits/estimated market value • vacation time • tuition reimbursement • child/dependent care • other _____		
Website to access benefit information		

What's Next for Your Personal Financial Plan?

- Talk to various people about their employee benefits.
- Conduct research to obtain information on various employee benefits required by law and those commonly provided in various industries.



Name: _____ Date: _____

Career Development and Advancement

Purpose: To develop a plan for career advancement. (pp. 65–66)

Instructions: Prepare responses for the items listed. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.careerjournal.com www.careerplanning.about.com

Current position _____
Address _____

Phone _____
Fax _____ E-mail _____
Website _____

Current responsibilities and duties

Accomplishments

Career goal within the next year

- Required skills and experience
- Plans to achieve that goal

Career goal within the next two years

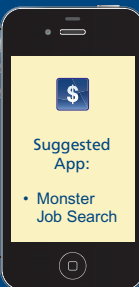
- Required skills and experience
- Plans to achieve that goal

Career goal within the next five years

- Required skills and experience
- Plans to achieve that goal

What's Next for Your Personal Financial Plan?

- Talk with others about the career development activities in which they have participated.
- Prepare a list of formal and informal career development activities in which you might participate.





Name: _____ Date: _____

Financial Documents and Records

Purpose: To develop a system for maintaining and storing personal financial documents and records. (pp. 89–91)

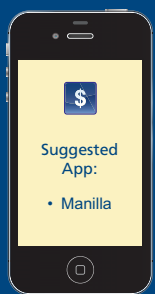
Instructions: Indicate the location of the following records, and create files for the eight major categories of financial documents. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.kiplinger.com www.usa.gov

Item	Home File	Safe Deposit Box	Computer File, Online, Other (specify)
1. Money management records			
• budget, financial statements			
2. Personal/employment records			
• current résumé, Social Security card			
• educational transcripts			
• birth, marriage, divorce certificates			
• citizenship, military papers, passport			
• adoption, custody papers			
3. Tax records			
4. Financial services/Consumer credit records			
• unused, canceled checks			
• savings, passbook statements			
• savings certificates			
• credit card information, statements			
• credit contracts			
5. Consumer purchase, housing, and automobile records			
• warranties, receipts			
• owner's manuals			
• lease or mortgage papers, title deed, property tax info			
• automobile title			
• auto registration			
• auto service records			
6. Insurance records			
• insurance policies			
• home inventory			
• medical information (health history)			
7. Investment records			
• broker statements			
• dividend reports			
• stock/bond certificates			
• rare coins, stamps, and collectibles			
8. Estate planning and retirement			
• will			
• pension, Social Security info			

What's Next for Your Personal Financial Plan?

- Select a location for storing your financial documents and records.
- Decide if various documents may no longer be needed.



Name: _____ Date: _____

Personal Balance Sheet

Purpose: To determine your current financial position. (pp. 92–94)

Instructions: List the current values of the asset categories below; list the amounts owed for various liabilities; subtract total liabilities from total assets to determine net worth. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.money.com www.lifeadvice.com

Balance Sheet as of _____

Assets

Liquid assets

Checking account balance _____
 Savings/money market accounts, funds _____
 Cash value of life insurance _____
 Other _____
Total liquid assets _____

Household assets & possessions

Current market value of home _____
 Market value of automobiles _____
 Furniture _____
 Computer, electronics, camera _____
 Jewelry _____
 Other _____
 Other _____
Total household assets _____

Investment assets

Savings certificates _____
 Stocks and bonds _____
 Retirement accounts _____
 Mutual funds _____
 Other _____
Total investment assets _____

Total assets

Liabilities

Current liabilities

Charge account and credit card balances _____
 Loan balances _____
 Other _____
 Other _____
Total current liabilities _____

Long-term liabilities

Mortgage _____
 Other _____
Total long-term liabilities _____

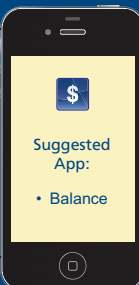
Total liabilities

Net Worth

(assets minus liabilities)

What's Next for Your Personal Financial Plan?

- Compare your net worth to previous balance sheets.
- Decide how often you will prepare a balance sheet.





Name: _____ Date: _____

Personal Cash Flow Statement

Purpose: To maintain a record of cash inflows and outflows for a month (or three months). (pp. 95–98)

Instructions: Record inflows and outflows of cash for a one- (or three-) month period. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.asec.org www.clevelandsaves.org

For month ending _____

Cash Inflows

Salary (take-home) _____

Other income: _____

Other income: _____

Total Income

Cash Outflows

Fixed expenses

Mortgage or rent _____

Loan payments _____

Insurance _____

Other _____

Other _____

Total fixed outflows _____

Variable expenses

Food _____

Clothing _____

Electricity _____

Telephone _____

Water _____

Transportation _____

Personal care _____

Medical expenses _____

Recreation/entertainment _____

Gifts _____

Donations _____

Other _____

Other _____

Total variable outflows _____

Total outflows

Surplus/Deficit

Allocation of surplus

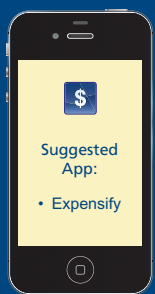
Emergency fund savings _____

Financial goals savings _____

Other savings _____

What's Next for Your Personal Financial Plan?

- Decide which areas of spending need to be revised.
- Evaluate your spending patterns for preparing a budget.



Name: _____ Date: _____

Cash Budget

Purpose: To compare projected and actual spending for a one- (or three-) month period. (pp. 98–105)

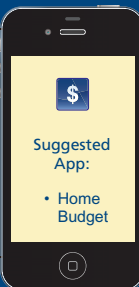
Instructions: Estimate projected spending based on your cash flow statement, and maintain records for actual spending for these same budget categories. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.betterbudgeting.com www.mymoney.gov www.thesimpledollar.com

Income	Budgeted Amounts		Actual Amounts	Variance
	Dollar	Percent		
Salary				
Other _____				
Total income		100%		
Expenses	<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<
Fixed expenses	<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<
Mortgage or rent				
Property taxes				
Loan payments				
Insurance				
Other _____				
Total fixed expenses				
Emergency fund/savings	<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<
Emergency fund				
Savings for _____				
Savings for _____				
Total savings				
Variable expenses	<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<	<<<<<<<<<<<<<
Food				
Utilities				
Clothing				
Transportation costs				
Personal care				
Medical and health care				
Entertainment				
Education				
Gifts/donations				
Miscellaneous				
Other _____				
Other _____				
Total variable expenses				
Total expenses		100%		

What's Next for Your Personal Financial Plan?

- Evaluate the appropriateness of your budget for your current situation.
- Assess whether your budgeting activities are helping you achieve your financial goals.





Name: _____ Date: _____

Annual Budget Summary

Purpose: To see an overview of spending patterns for a year. (pp. 103–104)

Instructions: Record the monthly budget amount in the first column and actual monthly spending in the appropriate column. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

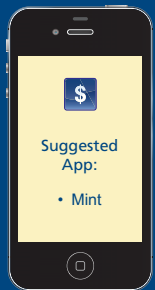
Suggested websites: www.mymoney.gov www.bls.gov/cex

Expense	Monthly Budget	Actual Spending					
		Jan	Feb	Mar	Apr	May	Jun
Savings							
Mortgage/rent							
Housing costs							
Telephone							
Food (at home)							
Food (away)							
Clothing							
Transportation							
Credit payments							
Insurance							
Health care							
Recreation							
Reading/education							
Gifts/donations							
Miscellaneous							
Other _____							
Other _____							
Total							

Expense	Actual Spending						Year Totals	
	Jul	Aug	Sep	Oct	Nov	Dec	Actual	Budget
Savings								
Mortgage/rent								
Housing costs								
Telephone								
Food (at home)								
Food (away)								
Clothing								
Transportation								
Credit payments								
Insurance								
Health care								
Recreation								
Reading/education								
Gifts/donations								
Miscellaneous								
Other _____								
Other _____								
Total								

What's Next for Your Personal Financial Plan?

- Decide which areas of spending need to be revised.
- Evaluate your spending patterns for preparing a budget.



Name: _____ Date: _____

College Education Savings Plan

Purpose: To estimate future costs of college and calculate needed savings. (pp. 107–108; Appendix A)

Instructions: Complete the information and calculations requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.statefarm.com/lifeevents/lifeevents.htm www.kiplinger.com

Estimated Cost of College Education

Current cost of college education \$ _____
(including tuition, fees, room, board, books, travel, and other expenses)

Future value for _____ years until starting college at an expected annual inflation of _____ percent (use future value of \$1, Exhibit 1-A in Chapter 1 Appendix or a financial calculator) × \$ _____
Projected future cost of college adjusted for inflation = \$ _____

Estimated Annual Savings Needed

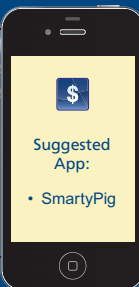
Projected future cost of college adjusted for inflation (A) \$ _____

Future value of a series of deposits for _____ years until starting college and expected annual rate of return on savings and investments of _____ percent (use Exhibit 1-B in Chapter 1 Appendix or a financial calculator) (B) \$ _____

Estimated annual deposit to achieve needed education fund A divided by B \$ _____

What's Next for Your Personal Financial Plan?

- Identify savings and investment plans that could be used to save for long-term goals.
- Ask others to suggest actions that might be taken to save for long-term goals.



Name: _____ Date: _____

Income Tax Estimate

Purpose: To estimate your current federal income tax liability. (pp. 120–127)

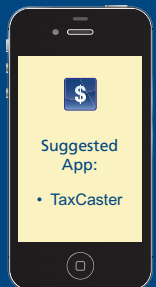
Instructions: Based on last year’s tax return, estimates for the current year, and current tax regulations and rates, estimate your current tax liability. This sheet is also available in an Excel spreadsheet at www.mhhe.com/kdh.

Suggested websites: www.irs.gov <https://turbotax.intuit.com/tax-tools/calculators/taxcaster/>

Gross income (wages, salary, investment income, and other ordinary income)		\$
Less Adjustments to income (see current tax regulations)		– \$
Equals Adjusted gross income		= \$
Less Standard deduction or	Itemized deduction	
	medical expenses (exceeding 10% of AGI)	\$
	state/local income & property taxes	\$
	mortgage, home equity loan interest	\$
	contributions	\$
	casualty and theft losses	\$
	moving expenses, job-related and miscellaneous expenses (exceeding 2% of AGI)	\$
Amount – \$	Total	– \$
Less Personal exemptions		– \$
Equals Taxable income		= \$
Estimated tax (based on current tax tables or tax schedules)		\$
Less Tax credits		– \$
Plus Other taxes		+ \$
Equals Total tax liability		= \$
Less Estimated withholding and payments		– \$
Equals Tax due (or refund)		= \$

What’s Next for Your Personal Financial Plan?

- Develop a system for filing and storing various tax records related to income, deductible expenses, and current tax forms.
- Using www.irs.gov and other websites, identify recent changes in tax laws that may affect your financial planning decisions.



Name: _____ Date: _____

Tax Preparer Comparison

Purpose: To compare the services and costs of different income tax return preparation sources. (pp. 138–139)

Instructions: Using advertisements and information from tax preparation services, obtain information for the following. This sheet is also available in an Excel spreadsheet at www.mhhe.com/kdh.

Suggested websites: <https://www.turbotax.intuit.com/tax-tools/> www.hrblock.com

	Local Tax Service	National Tax Service	Local Accountant
Company name			
Address			
Telephone			
E-mail			
Website			
Cost of preparing Form 1040EZ			
Cost of preparing Form 1040A			
Cost of preparing Form 1040 with Schedule A (itemized deductions)			
Cost of preparing state or local tax return			
Cost of electronic filing			
Assistance provided if IRS questions your return			
Other services provided			

What's Next for Your Personal Financial Plan?

- Talk with people about their experiences when using a tax preparation service.
- Compare the costs and benefits of using a tax preparation service with preparing your own taxes with tax software.



Name: _____ Date: _____

Tax Planning Activities

Purpose: To consider actions that can prevent tax penalties and may result in tax savings. (pp. 142–147)

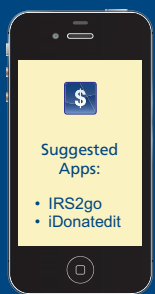
Instructions: Consider which of the following actions are appropriate to your tax situation. This sheet is also available in an Excel spreadsheet at www.mhhe.com/kdh.

Suggested websites: www.irs.gov <https://www.turbotax.intuit.com/tax-tools/>

	Action to be taken (if applicable)	Completed
Filing Status/Withholding <ul style="list-style-type: none"> • Change filing status or exemptions because of changes in life situation. 		
<ul style="list-style-type: none"> • Change amount of withholding because of changes in tax situation. 		
<ul style="list-style-type: none"> • Plan to make estimated tax payments (due the 15th of April, June, September, and January). 		
Tax Records/Documents <ul style="list-style-type: none"> • Organize home files for ease of maintaining and retrieving data. 		
<ul style="list-style-type: none"> • Send current mailing address and correct Social Security number to IRS, place of employment, and other sources of income. 		
Annual Tax Activities <ul style="list-style-type: none"> • Be certain all needed data and current tax forms are available well before deadline. 		
<ul style="list-style-type: none"> • Research tax code changes and uncertain tax areas. 		
Tax Savings Actions <ul style="list-style-type: none"> • Consider tax-exempt and tax-deferred investments. 		
<ul style="list-style-type: none"> • If you expect to have the same or lower tax rate next year, accelerate deductions into the current year. 		
<ul style="list-style-type: none"> • If you expect to have the same or lower tax rate next year, delay the receipt of income until next year. 		
<ul style="list-style-type: none"> • If you expect to have a higher tax rate next year, delay deductions because they will have a greater benefit. 		
<ul style="list-style-type: none"> • If you expect to have a higher tax rate next year, accelerate the receipt of income to have it taxed at the current lower rate. 		
<ul style="list-style-type: none"> • Start or increase use of tax-deferred retirement plans. 		
<ul style="list-style-type: none"> • Other. 		

What's Next for Your Personal Financial Plan?

- Identify saving and investing decisions that would minimize future income taxes.
- Develop a plan for actions to take related to your current and future tax situation.



Financial Services Planning

Purpose: To indicate currently used financial services and to determine services that may be needed in the future. (pp. 156–165)

Instructions: List currently used services with financial institution information (name, address, phone, website) and services that are likely to be needed in the future. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.creditunion.coop www.findabetterbank.com

Types of financial services	Current financial services used	Additional financial services needed
Payment services (checking, debit card, online payments, money orders)	Financial institution:	
	Address:	
	Phone:	
	Website:	
Savings plans (savings account, certificates of deposit, savings bonds)	Financial institution:	
	Address:	
	Phone:	
	Website:	
Credit accounts (credit cards, personal loans, mortgage)	Financial institution:	
	Address:	
	Phone:	
	Website:	
Other financial services (investments, trust account, tax planning)	Financial institution:	
	Address:	
	Phone:	
	Website:	

What's Next for Your Personal Financial Plan?

- Assess whether the current types of and sources of your financial services are appropriate.
- Determine additional financial services you may wish to make use of in the future.



Name: _____ Date: _____

Saving to Achieve Financial Goals

Purpose: To monitor savings for use in reaching financial goals. (pp. 165–169)

Instructions: Record savings plan information along with the amount of your balance or income on a periodic basis. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.fdic.gov www.savingsbonds.gov

Regular Savings Account

Savings goal/Amount needed/Date needed:

Acct. no. _____
 Financial institution _____
 Address _____
 Phone _____
 Website _____

Initial deposit:	Date	_____	\$	_____
Balance:	Date	_____	\$	_____
	Date	_____	\$	_____
	Date	_____	\$	_____
	Date	_____	\$	_____

Certificate of Deposit

Savings goal/Amount needed/Date needed:

Acct. no. _____
 Financial institution _____
 Address _____
 Phone _____
 Website _____

Initial deposit:	Date	_____	\$	_____
Balance:	Date	_____	\$	_____
	Date	_____	\$	_____
	Date	_____	\$	_____
	Date	_____	\$	_____

Money Market fund/account

Savings goal/Amount needed/Date needed:

Acct. no. _____
 Financial institution _____
 Address _____
 Phone _____
 Website _____

Initial deposit:	Date	_____	\$	_____
Balance:	Date	_____	\$	_____
	Date	_____	\$	_____
	Date	_____	\$	_____
	Date	_____	\$	_____

U.S. Savings Bonds

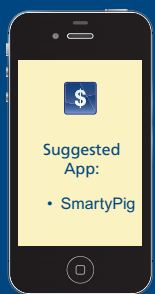
Savings goal/Amount needed/Date needed:

Purchase location _____
 Address _____
 Phone _____
 Website _____

Purchase date:	_____	Maturity date:	_____
Amount:	_____	Maturity date:	_____
Purchase date:	_____	Maturity date:	_____
Amount:	_____	Maturity date:	_____

What's Next for Your Personal Financial Plan?

- Assess your current progress toward achieving various savings goals. Evaluate existing and new savings goals.
- Plan actions to expand the amount you are saving toward various savings goals.



Name: _____ Date: _____

Savings Plan Comparison

Purpose: To compare the benefits and costs associated with different savings plans. (pp. 165–173)

Instructions: Analyze advertisements and contact various financial institutions to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.fdic.gov

Type of savings plan: (regular savings account, certificate of deposit, money market account, other _____)			
Financial institution			
Address/Phone			
Website			
Annual interest rate			
Annual percentage yield (APY)			
Frequency of compounding			
Insured by FDIC, NCUA, other			
Maximum amount insured			
Minimum initial deposit			
Minimum time period savings must be on deposit			
Penalties for early withdrawal			
Service charges, transaction fees, other costs or fees			

What's Next for Your Personal Financial Plan?

- Based on this savings plan analysis, determine the best types for your current and future financial situation.
- When analyzing savings plans, what factors should you carefully investigate?



Name: _____ Date: _____

Payment Account Comparison

Purpose: To compare the benefits and costs associated with different checking/payment accounts. (pp. 174–179)

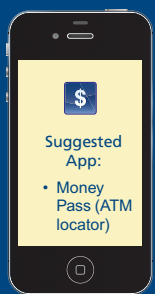
Instructions: Analyze advertisements and contact various financial institutions (banks, savings and loan associations, or credit unions) to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.checkfree.com

Institution name			
Address			
Phone			
Website			
Type of account (regular checking, interest-earning account, or other _____)			
Minimum balance for “free” checking			
Monthly fee for going below minimum balance			
“Free” checking accounts for full-time students?			
Online banking services			
Other fees/costs			
• printing of checks			
• stop payment order			
• overdrawn account			
• certified check			
• ATM, other charges			
Banking hours			
Location of branch offices and ATM network			

What’s Next for Your Personal Financial Plan?

- Are your current payment activities best served by your current payment methods (checking account, cash card, online payments)?
- Talk with others about their online payment experiences.



Payment Account Cost Analysis

Purpose: To compare the inflows and outflows of a checking account. (pp. 174–179)

Instructions: Record the interest earned (inflows) and the costs and fees (outflows) as requested below. *Note: Not all items will apply to every checking account.* This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.checkfree.com

Inflows (earnings)

Step 1

Multiply average monthly balance \$ _____ by average rate of return _____ % to determine annual earnings



Total estimated inflow

\$ _____

Outflows (costs)

Step 2

Monthly service charge \$ _____ × 12 = \$ _____
 Average number of checks written per month _____ × charge per check (if applicable) × 12 = \$ _____
 Average number of deposits per month _____ × charge per deposit (if applicable) × 12 = \$ _____
 Fee incurred when going below minimum balance _____ × times below minimum = \$ _____
 Lost interest: opportunity cost _____ % × required minimum balance \$ _____ = \$ _____

= _____

Total estimated outflow

\$ _____

<p>Estimated inflows less outflows = Net earnings for account _____ – Net cost for account _____ +/- \$ _____</p>

Note: This calculation does not take into account charges and fees for such services as overdrafts, stop payments, ATM use, and check printing. Be sure to also consider those costs when selecting a checking account.

What's Next for Your Personal Financial Plan?

- What actions can you take to minimize checking/payment account costs?
- Talk to others about the actions they take to minimize checking account costs.



Name: _____ Date: _____

Checking Account Reconciliation

Purpose: To determine the adjusted cash balance for your checking account. (pp. 179–180)

Instructions: Enter data from your bank statement and checkbook for the amounts requested. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.checkfree.com

Date of bank statement _____
Balance on bank statement \$ _____

Step 1

Subtract total of outstanding checks (checks that you have written but have not yet cleared in the banking system)

Check No.	Amount	Check No.	Amount	
_____	_____	_____	_____	
_____	_____	_____	_____	
_____	_____	_____	_____	
_____	_____	_____	_____	- \$ _____

Step 2

Add deposits in transit (deposits you have made but have not been reported on this statement)

Date	Amount	Date	Amount	
_____	_____	_____	_____	+ \$ _____
_____	_____	_____	_____	
_____	_____	_____	_____	
_____	_____	_____	_____	
Adjusted cash balance				\$ _____

Current balance in your checkbook _____

Step 3

Subtract fees or other charges listed on your bank statement

Item	Amount	Item	Amount	
_____	_____	_____	_____	- \$ _____
_____	_____	_____	_____	
Subtract ATM withdrawals, debit card payments, and other automatic payments.				- \$ _____

Step 4

Add interest earned	+ \$ _____
Add direct deposits	+ \$ _____
Adjusted cash balance	\$ _____

(The two adjusted balances should be the same; if not, carefully check your math and check to see that deposits and checks recorded in your checkbook and on your statement are for the correct amounts.)

What's Next for Your Personal Financial Plan?

- Develop a plan to monitor your payment records.
- Select actions to reduce banking service costs.

Name: _____ Date: _____

Consumer Credit Usage

Purpose: To create a record of current consumer debt balances. (pp. 200–205)

Instructions: Record account names, numbers, and payments for current consumer debts. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.ftc.gov

Automobile, Education, Personal, and Installment Loans

Financial institution	Account number	Current balance	Monthly payment
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Charge Accounts and Credit Cards

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

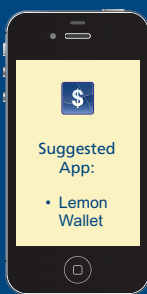
Other Loans (overdraft protection, home equity, life insurance loan)

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
	Totals	_____	_____

$$\text{Debt payment-to-income ratio} = \frac{\text{Total monthly payments}}{\text{net (after-tax) income}}$$

What's Next for Your Personal Financial Plan?

- Survey three or four individuals to determine their uses of credit.
- Talk to several people to determine how they first established credit.





Name: _____ Date: _____

Credit Card Comparison

Purpose: To compare the benefits and costs associated with different credit cards and charge accounts. (pp. 230–245)

Instructions: Analyze ads and credit applications and contact various financial institutions to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.bankrate.com www.banx.com

Type of credit/charge account			
Name of company/account			
Address/phone			
Website			
Type of purchases that can be made			
Annual fee (if any)			
Annual percentage rate (APR) (interest calculation information)			
Credit limit for new customers			
Minimum monthly payment			
Other costs: • credit report • late fee • other _____			
Restrictions (age, minimum annual income)			
Other information for consumers to consider			
Rewards program			

What's Next for Your Personal Financial Plan?

- Make a list of the pros and cons of using credit or debit cards.
- Contact a local credit bureau to obtain information on the services provided and the fees charged.

Name: _____ Date: _____

Consumer Loan Comparison

Purpose: To compare the costs associated with different sources of loans. (pp. 230–245)

Instructions: Contact or visit a bank, credit union, and consumer finance company to obtain information on a loan for a specific purpose. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.eloan.com www.bankrate.com

Amount of loan \$ _____

Type of financial institution

Name			
Address			
Phone			
Website			
Amount of down payment			
Length of loan (months)			
What collateral is required?			
Amount of monthly payment			
Total amount to be repaid (monthly amount × number of months + down payment)			
Total finance charge/cost of credit			
Annual percentage rate (APR)			
Other costs • credit life insurance • credit report • other _____			
Is a cosigner required?			
Other information			

What's Next for Your Personal Financial Plan?

- Ask several individuals how they would compare loans at different financial institutions.
- Survey several friends and relatives to determine whether they ever cosigned a loan. If yes, what were the consequences of cosigning?



Name: _____ Date: _____

Unit Pricing Worksheet

Purpose: To calculate the unit price for a consumer purchase. (p. 272)

Instructions: Use advertisements or information obtained during store visits to calculate and compare unit prices. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.consumer.gov www.consumerworld.org

Item _____

Date	Store/Location	Brand	Total price	÷	Size	=	Unit Price	Unit of Measurement
_____	_____	_____	_____		_____		_____	_____
_____	_____	_____	_____		_____		_____	_____
_____	_____	_____	_____		_____		_____	_____
_____	_____	_____	_____		_____		_____	_____
_____	_____	_____	_____		_____		_____	_____
_____	_____	_____	_____		_____		_____	_____

Highest unit price

Store _____

Date _____

Lowest unit price

Store _____

Date _____

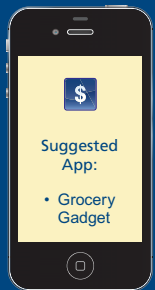
Difference: _____

Wisest consumer buy/Best overall store

Reasons

What's Next for Your Personal Financial Plan?

- Talk to others about actions they take to get the most for their money.
- Prepare a list of local and online shopping locations that provide the best value.



Name: _____ Date: _____

Consumer Purchase Comparison

Purpose: To research and evaluate brands and store services for purchase of a major consumer item. (pp. 268–284)

Instructions: When considering the purchase of a major consumer item, use ads, catalogs, an Internet search, store visits, and other sources to obtain the information below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.consumerreports.org www.mysimon.com

Product:

Exact description (size, model, features, etc.):

Research the item online and in consumer periodicals for information regarding your product

Source _____ Source _____

Date _____ Date _____

What buying suggestions are presented in these information sources?

Which brands are recommended in these information sources? Why?

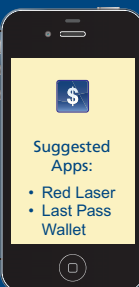
Contact or visit two or three stores or online sources that sell the product to obtain the following information:

	Buying location	Buying location	Buying location
Company name			
Address			
Phone/website			
Brand name/cost			
Product difference from item above			
Guarantee/warranty offered (describe)			

Which brand and at which store would you buy this product? Why?

What's Next for Your Personal Financial Plan?

- Which consumer information sources are most valuable for your future buying decisions?
- List guidelines to use in the future when making major purchases.





Name: _____ Date: _____

Transportation Needs

Purpose: To assess current and future transportation needs. (pp. 275–280)

Instructions: Based on current needs and expected needs, complete the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: cars.about.com www.kbb.com

Current situation: Date _____

	Vehicle 1		Vehicle 2
Year/Model	_____	Year/Model	_____
Mileage	_____	Mileage	_____
Condition	_____	Condition	_____
Needed repairs	_____	Needed repairs	_____
Estimated annual costs		Estimated annual costs	
Gas, oil, repairs	_____	Gas, oil, repairs	_____
Insurance	_____	Insurance	_____
Loan balance	_____	Loan balance	_____
Estimated market value	_____	Estimated market value	_____

Expected and projected changes in transportation needs

Personal desires and concerns regarding current transportation

Analysis of Future Desired Transportation Situation

Description of new vehicle

Time when new vehicle is desired

Financing resources needed

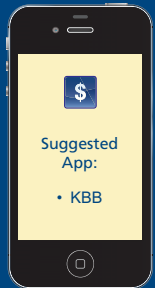
Available and projected financial resources

Concerns that must be overcome

Realistic time when transportation choice may be achieved

What's Next for Your Personal Financial Plan?

- Talk to others about their experiences with public transportation.
- Identify financial and personal factors that affect your transportation spending decisions.



Name: _____ Date: _____

Used-Car Comparison

Purpose: To research and evaluate different types and sources of used cars. (pp. 277–280)

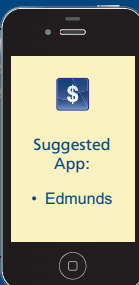
Instructions: When considering a used-car purchase, use advertisements and visits to new and used car dealers to obtain the information below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.carbuyingtips.com www.kbb.com

Automobile (year, make, model)			
Dealer/Source name			
Address			
Phone			
Website			
Cost			
Mileage			
Condition of auto			
Condition of tires			
Radio			
Air conditioning			
Other options			
Warranty (if applicable)			
Items in need of repair			
Inspection items:			
• any rust, major dents?			
• oil or fluid leaks?			
• condition of brakes?			
• proper operation of heater, wipers, other accessories?			
Other information			

What's Next for Your Personal Financial Plan?

- Maintain a record of automobile operating costs.
- Prepare a plan for regular maintenance of your vehicle.





Name: _____ Date: _____

Buying or Leasing a Motor Vehicle

Purpose: To compare costs of buying and leasing an automobile or other vehicle. This analysis should compare two situations with comparable payment amounts, even though the length of the agreements may differ. (pp. 278–279)

Instructions: Obtain costs related to leasing and buying a vehicle. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: cars.about.com www.leasesource.com

Purchase Costs

Total vehicle cost, including sales tax (\$ _____)

Down payment (or full amount if paying cash) \$ _____

Monthly loan payment \$ _____ times _____ months
(this item is zero if vehicle is not financed) \$ _____

Opportunity cost of down payment (or total cost of the vehicle if bought for cash)

\$ _____ times number of years of financing/ownership times _____ percent (interest rate which funds could earn) \$ _____

Less: estimated value of vehicle at end of loan term/ownership \$ _____

Total cost to buy \$ _____

Leasing Costs

Security deposit \$ _____ \$ _____

Monthly lease payments \$ _____ times _____ months \$ _____

Opportunity cost of security deposit:
\$ _____ times _____ years times _____ percent \$ _____

End-of-lease charges (if applicable)* \$ _____

Total cost to lease \$ _____

*Such as charges for extra mileage.

What's Next for Your Personal Financial Plan?

- Prepare a list of future actions to use when buying, financing, and leasing a car.
- Maintain a record of operating costs and maintenance actions for your vehicle.

Comparing Cash and Credit Purchases

Purpose: To compare the costs and benefits of cash and credit. (pp. 277–284)

Instructions: When considering a major consumer purchase, complete the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.consumerreports.org www.mysimon.com

Item/Description _____

Cash Price

Selling price	\$ _____
Sales tax	\$ _____
Additional charges (delivery, setup, service contract)	\$ _____
Discounts (employee, senior citizen or student discounts, discounts for paying cash)	\$ _____
Net cost of item times percent interest that could be earned times years of use to determine opportunity cost	\$ _____
Total financial and economic cost when paying cash	\$ _____

Credit Price

Down payment	\$ _____
Financing: monthly payment times months	\$ _____
Additional financing charges (application fee, credit report, credit life insurance)	\$ _____
Product-related charges (delivery, setup)	\$ _____
Discounts that may apply	–\$ _____
Total financial and economic cost when using credit	\$ _____

Other Considerations

Will cash used for the purchase be needed for other purposes?

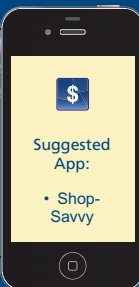
Will this credit purchase result in financial difficulties?

Do alternatives exist for this purchasing and payment decision?

Note: Use Sheet 33 to compare brands, stores, features, and prices when making a major consumer purchase.

What's Next for Your Personal Financial Plan?

- Develop a plan to save for major purchases in the future.
- Create a list of personal factors to consider when comparing cash and credit purchases.





Name: _____ Date: _____

Auto Operation Costs

Purpose: To calculate or estimate the cost of owning and operating an automobile or other vehicle. (pp. 282–283)

Instructions: Maintain records related to the cost of categories listed below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.consumerreports.org www.autobytel.com

Model year _____ Make, size, model _____

Fixed Ownership Costs

Depreciation*

Purchase price \$ _____ divided by estimated life of _____ years \$ _____

Interest on auto loan

Annual cost of financing vehicle if buying on credit \$ _____

Insurance for the Vehicle

Annual cost of liability and property \$ _____

License, registration fee, and taxes

Cost of registering vehicle for state and city license fees \$ _____

Total fixed costs (A) \$ _____

Variable Costs

Gasoline

_____ estimated miles per year divided by _____ miles per gallon of _____ times the average price of \$ _____ per gallon \$ _____

Oil changes

Cost of regular oil changes during the year \$ _____

Tires

Cost of tires purchased during the year \$ _____

Maintenance/repairs

Cost of planned or other unexpected maintenance \$ _____

Parking and tolls

Regular fees for parking and highway toll charges \$ _____

Total variable costs (B)..... \$ _____

Total costs (A+B) \$ _____

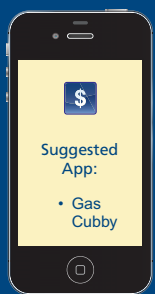
Divided by miles per year _____

Equals cost per mile \$ _____

*This estimate of vehicle depreciation is based on a straight-line approach—equal depreciation each year. A more realistic approach would be larger amounts in the early years of ownership, such as 25–30 percent in the first year, 30–35 percent in the second; most cars lose 90 percent of their value by the time they are seven years old.

What's Next for Your Personal Financial Plan?

- Talk to others to obtain suggestions for reducing auto operation costs.
- Prepare a list of local businesses that provide the best value for motor vehicle service.



Name: _____ Date: _____

Legal Services Comparison

Purpose: To compare costs of services from different sources of legal assistance. (pp. 289–290)

Instructions: Contact various sources of legal services (lawyer, prepaid legal service, legal aid society) to compare costs and available services. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.ftc.gov www.fraud.org www.nolo.com

Type of legal service			
Organization name			
Address			
Phone			
Website			
Contact person			
Recommended by			
Areas of specialization			
Cost of initial consultation			
Cost of simple will			
Cost of real estate closing			
Cost method for other services—flat fee, hourly rate, or contingency basis			
Other information			

What's Next for Your Personal Financial Plan?

- Determine the best alternative for your future legal needs.
- Maintain a file of legal documents and other financial records.



Name: _____ Date: _____

Housing Needs

Purpose: To assess current and future plans for housing. (pp. 300–303)

Instructions: Based on current and expected future needs, complete the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: homebuying.about.com realestate.msn.com

Current situation _____ Date _____

Renting

Location _____
 Description _____

 Advantages _____

 Disadvantages _____

 Rent \$ _____
 Lease expiration _____

Buying

Location _____
 Description _____

 Advantages _____

 Disadvantages _____

 Mortgage payment \$ _____
 Balance \$ _____
 Current market value _____

Expected and projected changes in housing needs

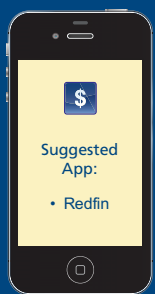
Personal desires and concerns regarding current housing situation

Analysis of Future Desired Housing Situation

Description of new housing situation	
Time when this situation is desired	
Financing resources needed/available	
Concerns that must be overcome	
Realistic time when housing of choice may be achieved	

What's Next for Your Personal Financial Plan?

- List personal factors that would affect your decision to rent or buy.
- Talk with various people about factors that affect their housing decisions.



Name: _____ Date: _____

Renting or Buying Housing

Purpose: To compare cost of renting and buying your place of residence. (pp. 303–307)

Instructions: Obtain estimates for comparable housing units for the data requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.homefair.com www.newbuyer.com/homes

Rental Costs

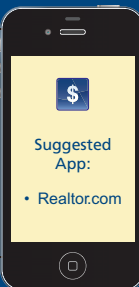
Annual rent payments (monthly rent \$ _____ × 12)	\$ _____
Renter's insurance	\$ _____
Interest lost on security deposit (deposit times after-tax savings account interest rate)	\$ _____
Total annual cost of renting	\$ _____

Buying Costs

Annual mortgage payments	\$ _____
Property taxes (annual costs)	\$ _____
Homeowner's insurance (annual premium)	\$ _____
Estimated maintenance and repairs	\$ _____
After-tax interest lost because of down payment/closing costs	\$ _____
<i>Less: financial benefits of home ownership</i>	
Growth in equity	\$ - _____
Tax savings for mortgage interest (annual mortgage interest times tax rate)	\$ - _____
Tax savings for property taxes (annual property taxes times tax rate)	\$ - _____
Estimated annual depreciation	\$ - _____
Total annual cost of buying	\$ _____

What's Next for Your Personal Financial Plan?

- Determine whether renting or buying is most appropriate for you at the current time.
- Prepare a list of circumstances or actions that might change your housing needs.





Name: _____ Date: _____

Apartment Rental Comparison

Purpose: To evaluate and compare rental housing alternatives. (pp. 303–307)

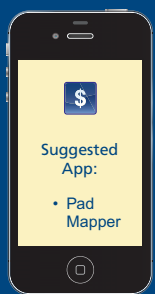
Instructions: When in the market for an apartment, obtain information to compare costs and facilities of three apartments. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: apartments.about.com www.taa.org

Name of renting person or apartment building			
Address			
Phone			
E-mail, website			
Monthly rent			
Amount of security deposit			
Length of lease			
Utilities included in rent			
Parking facilities			
Storage area in building			
Laundry facilities			
Distance to schools			
Distance to public transportation			
Distance to shopping			
Pool, recreation area, other facilities			
Estimated utility costs: • electric • telephone • gas • water			
Other costs			
Other information			

What's Next for Your Personal Financial Plan?

- Which of these rental units would best serve your current housing needs?
- What additional information should be considered when renting an apartment?



Housing Mortgage Affordability

Purpose: To estimate the amount of affordable mortgage payment, mortgage amount, and home purchase price. (pp. 316–317)

Instructions: Enter the amounts requested, and perform the required calculations. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.kiplinger.com www.mortgagecalculator.org

Step 1

Determine your monthly gross income (annual income divided by 12). \$ _____

Step 2

With a down payment of at least 5 percent, lenders use 33 percent of monthly gross income as a guideline for PITI (principal, interest, taxes, and insurance), and 38 percent of monthly gross income as a guideline for PITI plus other debt payments (enter 0.33 or 0.38). × _____

Step 3

Subtract other debt payments (such as payments on an auto loan), if applicable. = _____

Subtract estimated monthly costs of property taxes and homeowners' insurance. = _____

Affordable monthly mortgage payment \$ _____

Step 4

Divide this amount by the monthly mortgage payment per \$1,000 based on current mortgage rates (see Exhibit 9–9, text p. 317). For example, for a 10 percent, 30-year loan, the number would be \$8.78). ÷ _____

Multiply by \$1,000. × \$1,000 _____

Affordable mortgage amount \$ _____

Step 5

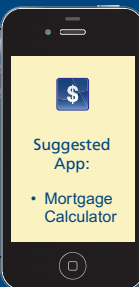
Divide your affordable mortgage amount by 1 minus the fractional portion of your down payment (for example, 0.9 for a 10 percent down payment). ÷ _____

Affordable home purchase price \$ _____

Note: The two ratios used by lending institutions (Step 2) and other loan requirements are likely to vary based on a variety of factors, including the type of mortgage, the amount of the down payment, your income level, and current interest rates. For example, with a down payment of 10 percent or more and a credit score of at least 720, the ratios might increase to 40/45 or 45/50 percent in the above analysis.

What's Next for Your Personal Financial Plan?

- Identify actions you might need to take to qualify for a mortgage.
- Discuss your mortgage qualifications with a mortgage broker or other lender.





Name: _____ Date: _____

Mortgage Comparison

Purpose: To compare the services and costs for different home mortgage sources. (pp. 319–322)

Instructions: When obtaining a mortgage, obtain the information requested below from different mortgage companies. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

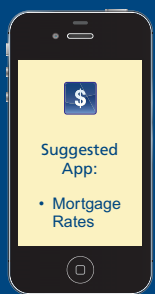
Suggested websites: www.bankrate.com www.hsh.com

Amount of mortgage Down payment Years
 \$ _____ \$ _____ _____

Company		
Address		
Phone		
Website		
Contact person		
Application fee, credit report, property appraisal fees		
Loan origination fee		
Other fees, charges (commitment, title, tax transfer)		
Fixed rate mortgage		
Monthly payment		
Discount points		
Adjustable rate mortgage		
• time until first rate change		
• frequency of rate change		
Monthly payment		
Discount points		
Payment cap		
Interest rate cap		
Rate index used		
Commitment period		
Other information		

What's Next for Your Personal Financial Plan?

- What additional information should be considered when selecting a mortgage?
- Which of these mortgage companies would best serve your current and future needs?



Name: _____ Date: _____

Mortgage Refinance Analysis

Purpose: To determine savings associated with refinancing a mortgage. (p. 322)

Instructions: Record financing costs and amount saved with new mortgage in the areas provided. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.interest.com www.mortgage-net.com

Costs of refinancing:

Points \$ _____
Application fee \$ _____
Credit report \$ _____
Attorney fees \$ _____
Title search \$ _____
Title insurance \$ _____
Appraisal fee \$ _____
Inspection fee \$ _____
Other fees \$ _____

Total refinancing costs (A) \$ _____

Monthly savings:

Current monthly mortgage payment \$ _____

Less:

New monthly payment \$ _____

Monthly savings (B) \$ _____

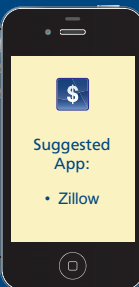
Number of months to cover finance costs

Refinance costs (A) divided by monthly savings (B)

(A) _____ ÷ (B) _____ = _____ months

What's Next for Your Personal Financial Plan?

- Monitor changing mortgage rates to determine if any actions are necessary.
- Talk with a mortgage broker about expected trends in mortgage rates.





Name: _____ Date: _____

Insurance Policies and Needs

Purpose: To establish a record of current and needed insurance coverage. (pp. 336–341)

Instructions: List current insurance policies and areas where new or additional coverage is needed. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.personalinsure.about.com www.iii.org

Current Coverage	Needed Coverage
Property insurance Company _____ Policy no. _____ Coverage amounts _____ Deductible _____ Annual premium _____ Agent _____ Address _____ Phone _____ Website _____	
Automobile insurance Company _____ Policy no. _____ Coverage amounts _____ Deductible _____ Annual premium _____ Agent _____ Address _____ Phone _____ Website _____	
Disability income insurance Company _____ Policy no. _____ Coverage _____ Contact _____ Phone _____ Website _____	
Health insurance Company _____ Policy no. _____ Policy provisions _____ Contact _____ Phone _____ Website _____	
Life insurance Company _____ Policy no. _____ Type of policy _____ Amount of coverage _____ Cash value _____ Agent _____ Phone _____ Website _____	

What's Next for Your Personal Financial Plan?

- Talk with others to determine the types of insurance they have.
- Conduct a Web search for various types of insurance on which you need additional information.

Name: _____ Date: _____

Home Inventory

Purpose: To create a record of personal belongings for use when settling home insurance claims. (pp. 344–345)

Instructions: For areas of the home, list your possessions including a description (model, serial number), cost, and date of acquisition. Also consider photographs and videos of your possessions. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.knowyourstuff.org www.statefarm.com/_pdf/home_inventory_checklist.pdf

Item, description	Cost	Date acquired
Attic		

Bathroom		

Bedrooms		

Family room		

Living room		

Hallways		

Kitchen		

Dining room		

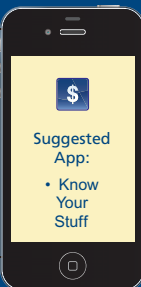
Basement		

Garage		

Other items		

What's Next for Your Personal Financial Plan?

- Determine common items that may be overlooked when preparing a home inventory.
- Talk to an insurance agent to determine how best to document your property in the event of an insurance claim.





Name: _____ Date: _____

Property Insurance

Purpose: To determine property insurance needed for a home or apartment. (pp. 343–350)

Instructions: Estimate the value and your needs for the categories below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.personalinsure.about.com www.insure.com www.iii.org

Real Property

(this section not applicable to renters)

Current replacement value of home \$ _____

Personal Property

Estimated value of appliances, furniture, clothing, and other household items (conduct an inventory) \$ _____

Type of coverage for personal property

actual cash value

replacement value

Additional coverage for items with limits on standard personal property coverage such as jewelry, firearms, silverware, photographic, electronic and computer equipment

Item	Amount
_____	_____
_____	_____
_____	_____

Personal Liability

Amount of additional personal liability coverage desired for possible personal injury claims \$ _____

Specialized Coverages

If appropriate, investigate flood or earthquake coverage excluded from home insurance policies \$ _____

Note: Use Sheet 49 to compare companies, coverages, and costs for apartment or home insurance.

What's Next for Your Personal Financial Plan?

- Talk to others about the amount of coverage for their home and property.
- Research the main factors that affect home insurance costs in your region.

Name: _____ Date: _____

Apartment/Home Insurance Comparison

Purpose: To research and compare companies, coverages, and costs for apartment or home insurance. (pp. 350–351)

Instructions: Contact three insurance agents to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.netquote.com www.iii.org www.insurancequotes.org/home-insurance/

Type of building: apartment house condominium

Location: _____

Type of construction _____ Age of building _____

Company name			
Agent's name, address and phone			
E-mail, website			
Coverage:	Premium	Premium	Premium
Dwelling			
\$			
Other structures			
\$			
(does not apply to apartment/condo coverage)			
Personal property			
\$			
Additional living expenses			
\$			
<i>Personal liability</i>			
Bodily injury			
\$			
Property damage			
\$			
<i>Medical payments</i>			
Per person			
\$			
Per accident			
\$			
Deductible amount			
Other coverage			
\$			
Service charges or fees			
Total Premium			

What's Next for Your Personal Financial Plan?

- Conduct a survey to determine common reasons that renters do not have renter's insurance.
- Determine cost differences for home insurance among various local agents and online companies.



Name: _____ Date: _____

Automobile Insurance Comparison

Purpose: To research and compare companies, coverages, and costs for auto insurance. (pp. 356–359)

Instructions: Contact three insurance agents to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: personalinsure.about.com www.insquote.com

Automobile (year, make, model, engine size) _____

Driver's age _____ Sex _____ Total miles driven in a year _____

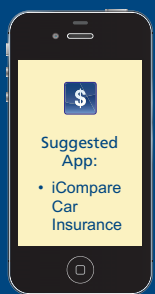
Full- or part-time drive? _____ Driver's education completed? _____

Accidents or traffic violations within the past three years? _____

Company name			
Agent's name, address and phone			
E-mail, website			
Policy length (6 months, 1 year)			
Coverage:	Premium	Premium	Premium
<i>Bodily injury liability</i>			
Per person			
\$			
Per accident			
\$			
Property damage liability per accident			
\$			
Collision deductible			
\$			
Comprehensive deductible			
\$			
Medical payments per person			
\$			
Uninsured motorist			
Per person			
\$			
Per accident			
\$			
Other coverage			
Service charges			
Total Premium			

What's Next for Your Personal Financial Plan?

- Research actions that you might take to reduce automobile insurance costs.
- Determine cost differences for auto insurance among various local agents and online companies.



Suggested App:
• iCompare Car Insurance

Name: _____ Date: _____

Health Care Insurance

Purpose: To assess current and needed medical and health care insurance. (pp. 373–381)

Instructions: Assess current and needed medical and health care insurance. Investigate your existing medical and health insurance, and determine the need for additional coverages. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.insure.com www.lifehappens.org www.ehealthinsurance.com

Insurance company

Address

Type of coverage individual health policy group health policy
 HMO PPO other _____

Premium amount (monthly/quarterly/semiannually/annually)

Main coverages

Amount of coverage for

- Hospital costs
- Surgery costs
- Physician's fees
- Lab tests
- Outpatient expenses
- Maternity
- Major medical

Other items covered/amounts

Policy restrictions (deductible, coinsurance, maximum limits)

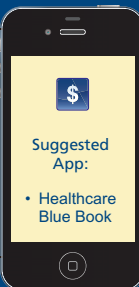
Items not covered by this insurance

Of items not covered, would supplemental coverage be appropriate for your personal situation?

What actions related to your current (or proposed additional) coverage are necessary?

What's Next for Your Personal Financial Plan?

- Talk to others about the impact of their health insurance on other financial decisions.
- Contact an insurance agent to obtain cost information for an individual health insurance plan.





Name: _____ Date: _____

Disability Income Insurance

Purpose: To determine financial needs and insurance coverage related to employment disability situations. (pp. 396–399)

Instructions: Use the categories below to determine your potential income needs and disability insurance coverage. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.ssa.gov www.clarkhoward.com/categories/insurance/disability-insurance/

Monthly Expenses

	Current	When Disabled
Mortgage (or rent)	\$ _____	\$ _____
Utilities	\$ _____	\$ _____
Food	\$ _____	\$ _____
Clothing	\$ _____	\$ _____
Insurance payments	\$ _____	\$ _____
Debt payments	\$ _____	\$ _____
Auto/transportation	\$ _____	\$ _____
Medical/dental care	\$ _____	\$ _____
Education	\$ _____	\$ _____
Personal allowances	\$ _____	\$ _____
Recreation/entertainment	\$ _____	\$ _____
Contributors, donations	\$ _____	\$ _____
Total monthly expenses when disabled		\$ _____

Substitute Income

Group disability insurance	\$ _____
Social Security	\$ _____
State disability insurance	\$ _____
Worker's compensation	\$ _____
Credit disability insurance (in some auto loan or home mortgages)	\$ _____
Other income (investments, etc.)	\$ _____
Total projected income when disabled	\$ _____

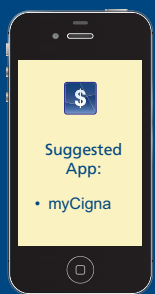
Monthly Benefit*

If projected income when disabled is less than expenses, additional disability income insurance should be considered.

*Most disability insurance programs have a waiting period before benefits start, and they may have a limit as to how long benefits are received.

What's Next for Your Personal Financial Plan?

- Survey several people to determine if they have disability insurance.
- Talk to an insurance agent to compare the costs of disability income insurance available from several insurance companies.



Name: _____ Date: _____

Life Insurance

Purpose: To estimate life insurance coverage needed to cover expected expenses and future family living costs. (pp. 411–414)

Instructions: Estimate the amounts for the categories listed. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.insure.com <http://financialplan.about.com/cs/insuranc1/a/LifeInsurance.htm>

Household expenses to be covered

Final expenses (funeral, estate taxes, etc.)		(1) \$ _____
Payment of consumer debt amounts		(2) \$ _____
Emergency fund		(3) \$ _____
College fund		(4) \$ _____
Expected living expenses:		
Average living expense	\$ _____	
Spouse's income after taxes	\$ _____	
Annual Social Security benefits	\$ _____	
Net annual living expenses	(a) \$ _____	
Years until spouse is 90	_____	
Investment rate factor (see below)	(b) _____	
Total living expenses (a × b)		(5) \$ _____
Total monetary needs (1 + 2 + 3 + 4 + 5)		\$ _____
Less: Total current investments		\$ _____
Life insurance needs		\$ _____

Investment rate factors

Years until Spouse Is 90

	25	30	35	40	45	50	55	60
Conservative investment	20	22	25	27	30	31	33	35
Aggressive investment	16	17	19	20	21	21	22	23

Note: Use Sheet 54 to compare life insurance policies.

What's Next for Your Personal Financial Plan?

- Survey several people to determine their reasons for buying life insurance.
- Talk to an insurance agent to compare the rates charged by different companies and for different age categories.



Name: _____ Date: _____

Life Insurance Comparison

Purpose: To research and compare companies, coverages, and costs for different insurance policies. (pp. 423–431)

Instructions: Analyze ads and contact life insurance agents to obtain the information requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

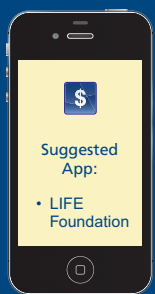
Suggested websites: www.insure.com www.accuquote.com www.selectquote.com

Age

Company			
Agent's name, address, and phone			
E-mail, website			
Type of insurance (term, straight/whole, limited payment, endowment, universal)			
Type of policy (individual, group)			
Amount of coverage			
Frequency of payment (monthly, quarterly, semiannually, annually)			
Premium amount			
Other costs: <ul style="list-style-type: none"> • Service charges • Physical exam 			
Rate of return (annual percentage increase in cash value; not applicable for term policies)			
Benefits of insurance as stated in ad or by agent			
Potential problems or disadvantages of this coverage			

What's Next for Your Personal Financial Plan?

- Talk to a life insurance agent to obtain information on the methods they suggest for determining the amount of life insurance a person should have.
- Research the differences in premium costs among various types of life insurance companies.



Name: _____ Date: _____

Investment Objectives

Purpose: To determine specific goals for an investment program. (pp. 444–449)

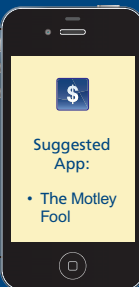
Instructions: Based on short- and long-term objectives for your investment efforts, enter the items requested below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.fool.com www.betterinvesting.org

Description of goal	Amount	Date needed	Investment goal (safety, growth, income)	Level of risk (high, medium, low)	Possible investments to achieve this goal

What's Next for Your Personal Financial Plan?

- Use the suggestions listed in Chapter 13 to perform a financial checkup.
- Discuss the importance of investment goals and financial planning with other household members.





Name: _____ Date: _____

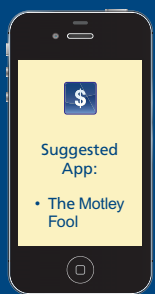
Investment Risk

Purpose: To assess the risk of various investments in relation to your personal risk tolerance and financial goals. (pp. 450–455)

Instructions: List various investments you are considering based on the type and level of risk associated with each. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.marketwatch.com <http://finance.yahoo.com>

Level of risk	Loss of market value (market risk)	Type of Risk		
		Inflation risk	Interest rate risk	Liquidity risk
High risk				
Moderate risk				
Low risk				



What's Next for Your Personal Financial Plan?

- Identify current economic trends that might increase or decrease the risk associated with your choice of investments.
- Based on the risk associated with the investments you chose, which investment would you choose to obtain your investment goals.

Name: _____ Date: _____

Investment Information Sources

Purpose: To identify and assess the value of various investment information sources. (pp. 466–469)

Instructions: Obtain samples of investment information from at least three sources that you might consider to guide you in your investment decisions. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.streetinsider.com <http://finance.yahoo.com>

	Item 1	Item 2	Item 3
Information source, organization			
Address			
Phone, e-mail			
Website			
Overview of information provided (main features)			
Cost			
Ease of access			
Evaluation: <ul style="list-style-type: none"> • reliability • clarity • value of information compared to cost 			

What's Next for Your Personal Financial Plan?

- Based on the information that you provided on this form, choose one source that you believe is not only easy to use, but also provides quality information that would help you obtain your financial goals.
- Choose a specific investment and use the “best” information source that you identified above to conduct a more thorough evaluation of the chosen investment alternative.



Name: _____ Date: _____

Corporate Stock Evaluation

Purpose: To identify a corporate stock that could help you obtain your investment goals. (pp. 489–501)

Instructions: Use Internet research or library materials to answer the questions on this personal financial planning sheet. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: finance.yahoo.com www.marketwatch.com

Note: No checklist can serve as a foolproof guide for choosing a common or preferred stock. However, the following questions will help you evaluate a potential stock investment. Use stock websites on the Internet and/or use library materials to answer these questions about a corporate stock that you believe could help you obtain your investment goals.

Category 1: The Basics

1. What is the corporation's name? _____
2. What are the corporation's address and telephone number? _____
3. Have you requested the latest annual report and quarterly report? Yes No
4. What information about the corporation is available on the Internet? _____
5. Where is the stock traded? _____
6. What types of products or services does this firm provide? _____
7. Briefly describe the prospects for this company. (Include significant factors like product development, plans for expansion, plans for mergers, etc.) _____
13. Have the firm's earnings increased over the past five years? _____
14. What is the firm's current price-earnings ratio? _____
15. How does the firm's current price-earnings ratio compare with firms in the same industry? _____
16. Describe trends for the firm's price-earnings ratio over the past three years. Do these trends show improvement or decline in investment value? _____
17. What are the firm's projected earnings for the next year? _____
18. Have sales increased over the last five years? _____
19. What is the stock's current price? _____
20. What are the 52-week high and low prices for this stock? _____

Category 2: Dividend Income

8. Is the corporation currently paying dividends? If so, how much? _____
9. What is the current yield for this stock? _____
10. Has the dividend payout increased or decreased over the past five years? _____
11. How does the yield for this investment compare with those for other potential investments? _____
21. Do the analysts that cover this stock indicate this is a good time to invest in this stock? _____
22. Briefly describe any other information that you obtained from Morningstar, Value Line, Standard & Poor's, or other sources of information. _____

A Word of Caution

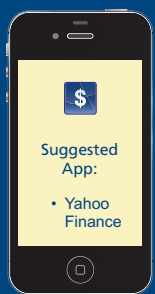
When you use a checklist, there is always a danger of overlooking important relevant information. This checklist is not all-inclusive, but it does provide some questions that you should answer before making a decision to invest in stock. Quite simply, it is a place to start. If you need more information, *you* are responsible for obtaining it and for determining how it affects your potential investment.

Category 3: Financial Performance

12. What are the firm's earnings per share for the last year? _____

What's Next for Your Personal Financial Plan?

- Identify additional factors that might affect your decision to invest in this corporation's stock.
- Develop a plan for monitoring an investment's value once a stock is purchased.



Name: _____ Date: _____

Investment Broker Comparison

Purpose: To compare the benefits and costs of different investment brokers. (pp. 502–504)

Instructions: Compare the services of an investment broker based on the factors listed below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.fool.com www.placetrade.com

Broker's name		
Organization		
Address		
Phone		
Website		
How much money is required to open an account		
What type of retirement accounts are offered?		
Can I talk with a real person when I need assistance?		
Online services offered		
Minimum commission charge		
Commission on 100 shares of stock at \$50/share		
Fees for other investments: <ul style="list-style-type: none">• corporate bonds• mutual funds• stock options		
Other fees: <ul style="list-style-type: none">• annual account fee• inactivity fee• other		

What's Next for Your Personal Financial Plan?

- Using the information you obtained, choose a brokerage firm that you believe will help you obtain your investment goals.
- Access the website for the brokerage firm you have chosen and answer the questions on pages 502–503 in your text.



Name: _____ Date: _____

Corporate Bond Evaluation

Purpose: To determine if a specific corporate bond could help you obtain your financial goals. (pp. 537–544)

Instructions: Use the Internet or library sources to answer the questions below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: finance.yahoo.com/bonds www.bondsonline.com

Category 1: Information about the Corporation

1. What is the corporation's name? _____
2. What are the corporation's website address and telephone number? _____
3. What type of products or services does this firm provide? _____
4. Briefly describe the prospects for this company. (Include significant factors like product development, plans for expansion, plans for mergers, etc.)

Category 2: Bond Basics

5. What type of bond is this? _____
6. What is the face value for this bond? _____
7. What is the interest rate for this bond? _____
8. What is the dollar amount of annual interest for this bond? _____
9. When are interest payments made to bondholders?

10. Is the corporation currently paying interest as scheduled? Yes No
11. What is the maturity date for this bond? _____
12. What is Moody's rating for this bond? _____
13. What is Standard & Poor's rating for this bond?

14. What do these ratings mean? _____

15. What was the original issue date? _____

16. Who is the trustee for this bond issue? _____
17. Is the bond callable? If so, when? _____
18. Is the bond secured with collateral? If so, what?
 Yes No _____

Category 3: Financial Performance

19. What are the firm's earnings per share for the last year? _____
20. Have the firm's earnings increased over the past five years? _____
21. What are the firm's projected earnings for the next year? _____
22. Have sales increased over the last five years?

23. Do the analysts indicate that this is a good time to invest in this company?

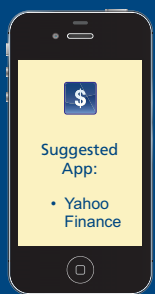
24. Briefly describe any other information that you obtained from Moody's, Standard & Poor's, or other sources of information.

A Word of Caution

When you use a checklist, there is always a danger of overlooking important relevant information. The above checklist is not a cure-all, but it does provide some questions that you should answer before making a decision to invest in bonds. Quite simply, it is a place to start. If you need other information, you are responsible for obtaining it and for determining how it affects your potential investment.

What's Next for Your Personal Financial Plan?

- Talk with various people who have invested in government, municipal, or corporate bonds.
- Discuss with other household members why bonds might be a valid choice for your investment program.



Name: _____ Date: _____

Mutual Fund Investment Information

Purpose: To identify and assess the value of various mutual fund investment information sources. (pp. 568–574)

Instructions: Obtain samples of several investment information sources that you might consider to guide you in your investment decisions. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.morningstar.com www.mfea.com

	Item 1	Item 2	Item 3
Information source, organization			
Internet address or location where information can be found			
Overview of information provided (main features)			
Cost, if any			
Ease of access			
Evaluation <ul style="list-style-type: none">• Reliability• Clarity• Value of information compared to cost			

What's Next for Your Personal Financial Plan?

- Talk with friends and relatives to determine what sources of information they use to evaluate mutual funds.
- Choose one source of information and describe how the information could help you obtain your investment goals.



Name: _____ Date: _____

Mutual Fund Evaluation

Purpose: To determine whether a specific mutual fund could help you obtain your investment goals. (pp. 568–574)

Instructions: Use the Internet or library sources to answer the questions below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.morningstar.com finance.yahoo.com/funds/

Category 1: Fund Characteristics

1. What is the fund's name? what is the fund's ticker symbol?

2. What is this fund's Morningstar rating?

3. What is the minimum investment?

4. Does the fund allow telephone or Internet exchanges? Yes No
5. Is there a fee for exchanges? Yes No

Category 2: Costs

6. Is there a front-end load charge? If so, how much is it?

7. Is there a redemption fee? If so, how much is it?

8. How much is the annual management fee?

9. Is there a 12b-1 fee? If so, how much is it?

10. What is the fund's expense ratio?

Category 3: Diversification

11. What is the fund's objective?

12. What types of securities does the fund's portfolio include?

13. How many different securities does the fund's portfolio include?

14. How many types of industries does the fund's portfolio include?

15. What are the fund's five largest holdings?

Category 4: Fund Performance

16. How long has the fund manager been with the fund?

17. How would you describe the fund's performance over the past 12 months?

18. How would you describe the fund's performance over the past five years?

19. How would you describe the fund's performance over the past 10 years?

20. What is the current net asset value for this fund?

21. What is the high net asset value for this fund over the last 12 months?

22. What is the low net asset value for this fund over the last 12 months?

23. What do the experts say about this fund?

Category 5: Conclusion

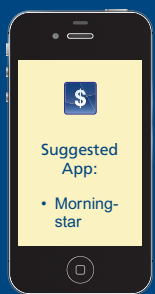
24. Based on the above information, do you think an investment in this fund will help you achieve your investment goals? Yes No
25. Explain your answer to question 24.

A Word of Caution

When you use a checklist, there is always a danger of overlooking important relevant information. This checklist is not a cure-all, but it does provide some questions that you should answer before making a mutual fund investment decision. Quite simply, it is a place to start. If you need other information, *you* are responsible for obtaining it and for determining how it affects your potential investment.

What's Next for Your Personal Financial Plan?

- Identify additional factors that may affect your decision to invest in this fund.
- Develop a plan for monitoring an investment's value once various mutual funds are purchased.



Name: _____ Date: _____

Retirement Planning

Purpose: To consider housing alternatives for retirement living and to plan retirement activities. (pp. 622–630)

Instructions: Evaluate current and expected needs and interest based on the items below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.aarp.org retireplan.about.com

Retirement Housing Plans

Description of current housing situation (size, facilities, location)

Time until retirement _____ years

Description of retirement housing needs

Checklist of Retirement Housing Alternatives

- | | |
|-----------------------------|--|
| _____ present home | _____ professional companionship arrangement |
| _____ house sharing | _____ commercial rental |
| _____ accessory apartment | _____ board and care home |
| _____ elder cottage housing | _____ congregate housing |
| _____ rooming house | _____ continuing care retirement community |
| _____ single-room occupancy | _____ assisted-living facility |
| _____ caretaker arrangement | _____ nursing home |

Personal and financial factors that will influence the retirement housing decision

Financial planning actions to be taken related to retirement housing

Retirement Activities

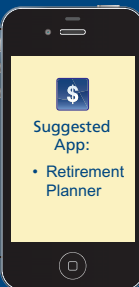
What plans do you have to work part-time or do volunteer work?

What recreational activities do you plan to continue or start? (Location, training, equipment needs)

What plans do you have for travel or educational study?

What's Next for Your Personal Financial Plan?

- Survey local senior housing facilities to determine the types of services available to seniors.
- Make a list that suggests the best housing options for seniors.





Name: _____ Date: _____

Retirement Plan Comparison

Purpose: To compare benefits and costs for different retirement plans (401K, IRA, Keogh, SEP). (pp. 630–646)

Instructions: Analyze advertisements and articles, and contact your employer and financial institutions to obtain the information below. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: retireplan.about.com www.aarp.org

Type of plan			
Name of financial institution or employer			
Address			
Phone			
Website			
Type of investments			
Minimum initial deposit			
Minimum additional deposits			
Employer contributions			
Current rate of return			
Service charges/fees			
Safety insured? By whom?			
Amount			
Payroll deduction available			
Tax benefits			
Penalty for early withdrawal: • IRS penalty (10%) • Other penalties			
Other features or restrictions			

What's Next for Your Personal Financial Plan?

- Survey local businesses to determine the types of retirement plans available to employees.
- Talk to representatives of various financial institutions to obtain suggestions for retirement plan investments.



Name: _____ Date: _____

Estate Planning

Purpose: To develop a plan for estate planning and related financial activities. (pp. 660–663)

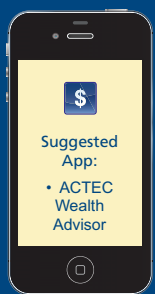
Instructions: Respond to the following questions as a basis for making and implementing an estate plan. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.nolo.com www.estateplanning.com

Are your financial records, including recent tax forms, insurance policies, and investment and housing documents, organized and easily accessible?	
Do you have a safe-deposit box? Where is it located? Where is the key?	
Location of life insurance policies. Name and address of insurance company and agent.	
Is your will current? Location of copies of your will. Name and address of your lawyer.	
Name and address of your executor.	
Do you have a listing of the current value of assets owned and liabilities outstanding?	
Have any funeral and burial arrangements been made?	
Have you created any trusts? Name and location of financial institution.	
Do you have any current information on gift and estate taxes?	
Have you prepared a letter of last instruction? Where is it located?	

What's Next for Your Personal Financial Plan?

- Talk to several individuals about the actions they have taken related to estate planning.
- Create a list of situations in which a will would need to be revised.



Name: _____ Date: _____

Will Planning

Purpose: To compare costs and features of various types of wills. (pp. 666–673)

Instructions: Obtain information for the various areas listed based on your current and future situation; contact attorneys regarding the cost of these wills. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.netplanning.com www.estateplanninglinks.com <http://wills.about.com/>

Type of will	Features that would be appropriate for my current or future situation	Cost Attorney, Address, Phone

What's Next for Your Personal Financial Plan?

- Create a list of items that you believe would be desirable to include in a will.
- Obtain the cost of a will from a number of different lawyers.



Name: _____ Date: _____

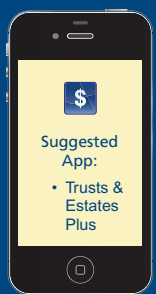
Trust Comparison

Purpose: To assess the features of different types of trusts. (pp. 673–680)

Instructions: Research features of various trusts to determine their value to your personal situation. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.estateplanning.com/ www.savewealth.com

Type of trust	Benefits	Possible value for my situation



What's Next for Your Personal Financial Plan?

- Talk to legal and financial planning experts to contrast the cost and benefits of wills and trusts.
- Talk to one or more lawyers to obtain information about the type of trust recommended for your situation.

Name: _____ Date: _____

Estate Tax Estimate

Purpose: To estimate the estate tax based on your financial situation. (pp. 680–684)

Instructions: Enter the data requested below to calculate the tax based on current tax rates. This sheet is also available in an Excel spreadsheet format at www.mhhe.com/kdh.

Suggested websites: www.irs.gov www.savewealth.com

Gross Estate Values

Personal property	\$ _____	
Real estate	\$ _____	
Joint ownership	\$ _____	
Business interests	\$ _____	
Life insurance	\$ _____	
Employee benefits	\$ _____	
Controlled gifts/trusts	\$ _____	
Prior taxable gifts	\$ _____	
Total estate values		\$ _____

Deductible Debts, Costs, Expenses

Mortgages and secured loans	\$ _____	
Unsecured notes and loans	\$ _____	
Bills and accounts payable	\$ _____	
Funeral and medical expenses	\$ _____	
Probate administration costs	\$ _____	
Total deductions		–\$ _____
Marital deduction		–\$ _____
Taxable estate		= \$ _____
Gross estate tax*		\$ _____

Allowable Credits

Unified credit	\$ _____	
Gift tax credit	\$ _____	
State tax credit	\$ _____	
Foreign tax credit	\$ _____	
Prior tax credit	\$ _____	
Total tax credits		–\$ _____
Net Estate Tax		\$ _____

*Consult the Internal Revenue Service (www.irs.gov) for current rates and regulations related to estate taxes.

What's Next for Your Personal Financial Plan?

- Research the history of the estate tax law to find out when the law was first implemented and how it has changed over the years.
- Research the inheritance and gift tax laws in your state.



Name: _____ Date: _____

Financial Data Summary

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Date >>>>>>>>					
Balance sheet summary					
Assets					
Liabilities					
Net worth					
Cash flow summary					
Inflows					
Outflows					
Surplus/deficit					
Budget summary					
Budget					
Actual					
Variance					
Date >>>>>>>>					
Balance sheet summary					
Assets					
Liabilities					
Net worth					
Cash flow summary					
Inflows					
Outflows					
Surplus/deficit					
Budget summary					
Budget					
Actual					
Variance					

