



Activity 1: Analyze a Budget

Complete the following budget form or develop one on the computer using software such as Microsoft Excel and Quicken and see if Tim has enough personal income to meet all of his expenses. If you use the computer, be sure to upload a copy to this topic's assignment.

 A. Fixed Expenses 1. Rent 2. Electricity, phone, cable 3. Car loan payment 4. Contributions 5. Total 	
B. Flexible Expenses 6. Miscellaneous 7. Laundry and cleaning 8. Recreation 9. Car maintenance/gas 10. Dining out 11. Groceries 12. Clothing purchases 13. Total	
C. Periodic Expenses 14. Insurance set-aside 15. Total	
D. Savings 16. College savings 17. Emergency fund 18. Total	
What percentage of his income 19. Fixed expenses? 20. Flexible expenses? 21. Periodic expenses? 22. Savings?	does Tim spend on:





Tim's car needs new tires. They will cost \$140 each. He will also have all the wheels aligned at a cost of \$7.50 each. As a result, he will have a sizable extra expense next month. Where can he cut expenses, so he won't go over his budget?
What will be the total cost of four new tires and wheel alignment? Total Cost \$
Where should Tim make the cuts in his expenses? Check the appropriate space. Fixed expenses? Flexible expenses? Periodic expenses? Savings?
Give three specific ideas for making the cuts suggested above.





Activity 2: Monthly Budget

Complete a monthly budget by filling in the budget areas listed below.

Budget					
Income Amount	Amount/Year	Amount/Month	Actual/Month		
1. Fixed expenses					
a.					
b.					
C.					
Subtotal					
2. Daily expenses					
a. Food					
b. clothing					
c. Transportation					
d. Health/personal					
e. Household operations					
Subtotal					
3. Personal expenses					
a. Allowances					
b. Contributions					
c. Recreation					
4. Savings/set-asides					
a. Large bills					
b. Future goals					
Subtotal					
Grand Total					

Worksheet: PDP Level 3.3





Activity 3: Reconcile a Bank Statement

Reconcile the following checkbook register with the given bank statement.

Bank Statement — Lower edge

Service Charge \$25.00 SC				Balance \$174.00
Please examine statement of account and vouchers at once. If no error is reported in 10 days, the account will be considered correct.				

Check Register

Record all charges or credits that affect your account.							
Number	Date	Description of Transaction	Payment/Debit (-)	3 T	Fee if Any (-)	Deposit/Credit (+)	Balance \$218.00
225	1/8	Rackets Inc.	25.00	3			193.00
226	1/10	Clothing Closet	15.00	3			178.00
	1/10	Deposit		3	50.00	228.00	
Debit	1/12	Hairport	25.00				203.00
ATM	1/13	ATM Withdrawal	20.00	3			183.00
227	1/15	Gasoline Fast	30.00	3			153.00
	1/18	Deposit				25.00	178.00
228	1/18	Coffee Cafe	12.00				166.00
		Service Charge	25.00	3			141.00

Worksheet: PDP Level 3.3 4





Statement Reconciliation	LIST CHECKS OUTSTANDING
This form is provided to help you balance your checkbook Period from to	
Step 1 Subtract the service charge shown on this statement from your current checkbook balance to arrive at your new checkbook balance. Step 2 Remember to record any preauthorized or automatic transactions in your register. Step 3 Add any monthly interest paid to your balance on the register. Step 4 Check off in your checkbook all checks and deposits shown on this statement. In the space provided at right, list outstanding checks. Step 5 Complete the following to balance this statement to your new checkbook balance.	
Bank balance shown on this statement \$	
Add deposits not credited (if any)	
SUBTOTAL = Subtract outstanding debits	TOTAL
TOTAL =	





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Worksheet: PDP Level 3.3





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