

Financial Fitness Checkup

A checkup to improve your financial health and screen for potential enhancements.

A financial checkup is as important as a physical checkup. A regular check of financial health can identify problems, chart progress, and outline action steps to achieve goals. It can also provide motivation to change.

There is no “one size fits all” answer in financial planning. What might be workable for one individual or family may not be for another. This fact sheet will help determine how you are progressing toward your financial goals and whether or not you have acted to improve your finances.

Think of this as you would an annual physical with a health professional. Use this to determine your strengths and other areas that can help you to improve.

Financial Fitness Quiz

Take this quiz to get an idea of how well you have managed your money so far. Choose the score that best describes your current financial management practices.

5 = always (or yes)

4 = usually

3 = sometimes

2 = seldom

1 = never (or no, I don't know)

Financial Management

- I have a checking account with which to pay bills.
- I have enough money to pay my rent/mortgage and other monthly expenses.
- I have enough money for an emergency, such as an unexpected vehicle repair bill.
- I have written financial goals with a date and dollar cost, for example: \$10,000 for a car by October.
- I have a written plan or budget for spending/saving.
- I keep financial records organized and can find important documents easily.
- I know the effective percentage rate of my federal marginal tax bracket.
- I calculate my net worth (assets minus debts) at least annually.

Saving/Investing

- I save regularly for long-term financial goals (education for my children, a house or retirement).
- I have at least three months' expenses set aside in a readily accessible account.
- I increase savings when I receive a salary increase.
- I have a personal investment account for retirement (in addition to an employer-sponsored pension, if one is provided).
- I have money in more than one type of investment (bonds, mutual funds, CD's).
- The after-tax yield of my savings and investments is greater than the rate of inflation.

Insurance and Estate Planning

- I have insurance to cover large, unexpected expenses, such as a hospital bill or disability.
- I have a current will.

Credit

- Less than half of one week's pay goes to my credit cards, student loans, and car payments.
- I pay off credit card bills to avoid interest charges.

Shopping

- I comparison-shop for major purchases by checking at least three sources.
- I avoid impulse purchases and don't use shopping as a form of recreation.

Scoring: Financial Fitness Quiz

- 0-20 points:** You need help, but don't despair. It's never too late to improve your finances.
- 21-40 points:** You are headed for financial difficulty. Now is the time to reverse the trend.
- 41-60 points:** You are doing a fair job of managing your finances and have taken some steps in the right direction.
- 61-80 points:** You are doing a good job and are above average in managing your finances.
- 81-100 points:** You are in excellent financial shape!

Assets - What you ownCurrent Rate
(if applicable)

Cash: On hand \$ _____ %
 Checking Account \$ _____ %
 Savings Accounts \$ _____ %
 Money Markets \$ _____ %
 Other \$ _____ %
 Cash Value Life Insurance \$ _____

Real Estate Property:

Home \$ _____
 Land \$ _____
 Other \$ _____

Investments: (Market Value)

Certificates of Deposit \$ _____ %
 Stocks \$ _____ %
 Bonds \$ _____ %
 Mutual Funds \$ _____ %
 Annuities \$ _____ %
 IRAs \$ _____ %
 401(k) or 403(b) Plans \$ _____ %
 Pension Plans \$ _____ %
 Other \$ _____ %

Personal Property (Current Value)

Automobiles \$ _____
 Recreational Vehicle/Boat \$ _____
 Home Furnishings \$ _____
 Appliances/Furniture \$ _____
 Collections \$ _____
 Jewelry and Furs \$ _____
 Other \$ _____

Total Assets \$ _____**Liabilities - What you owe**Current Rate
(if applicable)

Current Debts:
 Household \$ _____
 Medical \$ _____
 Credit Cards \$ _____ %
 Department Store Cards \$ _____ %
 Back Taxes \$ _____ %
 Other \$ _____

Mortgages:

Home \$ _____ %
 Land \$ _____ %
 Other \$ _____ %

Loans:

Bank/Finance Company \$ _____ %
 Bank/Finance Company \$ _____ %
 Automobiles \$ _____ %
 Recreational Vehicle/Boat \$ _____ %
 Education \$ _____ %
 Life Insurance \$ _____ %
 Personal (from family/friends) \$ _____ %
 Other \$ _____ %

Total Liabilities \$ _____

Subtract liability total from asset total to determine your net worth.

Total Assets - Total Liabilities = Net Worth