

Exercise #1 - on Networth tab

Create a Net Worth statement.

1. Open the Networth tab.
2. Enter (pretend) data in C9:C15, and C20:C26, format the data as Currency.
3. Click on cells C16 and C27 and examine the formula. The data in the Formula bar starts with an "=" sign, which means it's a formula. SUM is a formula that takes the range of cells between the two parentheses and adds up all the values.
4. Extend the formulas for the other months using AutoFill. Hover over the lower right corner of C16 until the mouse goes from a big plus sign into a thin plus sign. Click and hold left mouse button down, drag across to H16.
5. Optional: select the fields in Net Worth (row 29) and make a chart

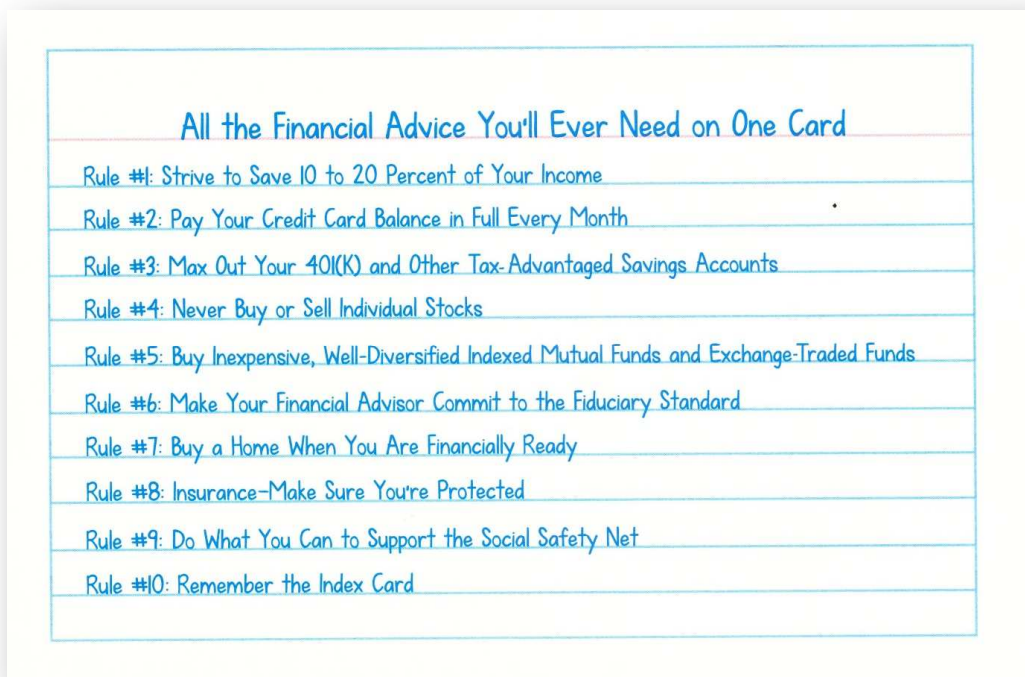
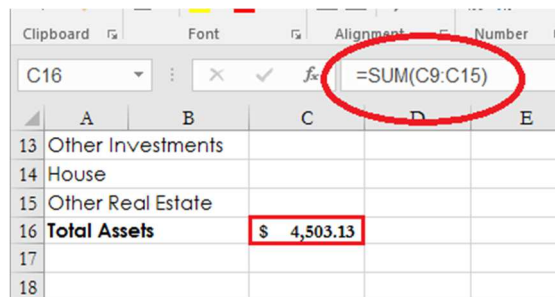


Figure 1 The index card: why personal finance doesn't have to be complicated By Helaine Olen and Harold Pollack.



Exercise #2– Wedding Tab

Create a Goal Budget

Click on the Wedding tab.

Directions:

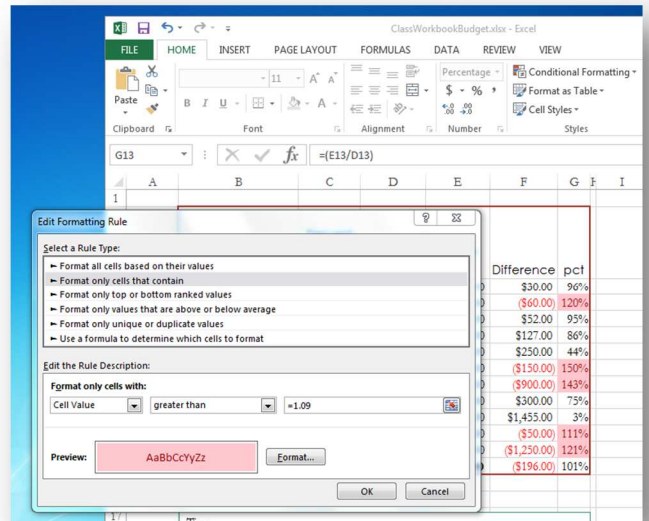
1. Format Column C as a percent with 2 digits. Home > Number > %
2. Calculate Column D as (overall budget * percent of budget). Use the **defined name** of overall_budget. So, in D3, type this: =(C3*overall_budget)
3. Enter your own data in Column E, some numbers higher or lower than Column D.
4. Format Columns D, E, and F as Currency, with 2 digits, and make them show as red if negative.
5. Calculate Column G: =(Actual cost / Budgeted Amount)*100. Format Column G as a percentage with 0 decimal places.
6. Sum up Columns C through G in Row 14, using AutoSum

Explanation:

The contents of J4 is a "Defined Name"; made by entering Formulas > Defined Names> Define Name. I gave this field a unique name: Overall_budget. Now use that name instead of \$J\$4 in the Column D calculations.

Extra Credit:

If we go over budget, make the cell red. Select cells G3:G14. Home > Styles > Conditional Formatting > New Rule > Format only cells that contain. Change Edit Formatting Rule dialog box to look like the example. Press Enter



Exercise #3– Family Budget (monthly)

Create a Zero Sum Budget

Open the Family Budget (monthly) excel spreadsheet, click on the Monthly Budget tab. This is a template from Microsoft. This tab is made up of Pivot Tables, Slicers, Graphs and other advanced techniques.

Directions:

1. Update the Income 1 and Income 2 fields in the “Actual” and “Projected” areas.
2. Click on the “Enter Expenses” button at the top middle, it will bring you to the “Monthly Expenses” tab. Update the various expense fields. Notice the Graph updates automatically.

Budget Overview

Balance		Projected Balance (Projected minus expenses)	\$1,595
Actual Balance (Actual minus expenses)		\$1,740	
Difference (Actual minus projected)		\$195	

Income		Expenses	
ACTUAL	Income 1 \$5,000 Income 2 \$2,200 Extra Income \$1,500 Total Income \$8,700	ACTUAL	\$7,860
PROJECTED	Income 1 \$6,000 Income 2 \$1,000 Extra Income \$2,500 Total Income \$9,500	PROJECTED	\$7,915

Graph

Insurance 13%
Transportation 17%
Other 16%
Housing 34%
Food 3%
Entertainment 9%
Personal Care 2%
Pets 1%
Savings or investments 3%
Taxes 4%
Loans 2%
Children 2%
Gifts and Charity 2%

Budget Summary

Slicers and Filters

Children, Entertainment, Food, Gifts and Charity, Housing, Insurance, Loans, Personal Care, Pets, Savings or investme..., Taxes, Transportation

Pivot Table

Category	Projected Cost	Actual Cost	Difference
Children	\$140	\$140	\$0
Entertainment	\$400	\$358	(\$42)
Food	\$1,300	\$1,320	(\$20)
Gifts and Charity	\$100	\$125	(\$25)
Housing	\$2,830	\$2,702	\$128
Insurance	\$300	\$300	\$0
Loans	\$200	\$200	\$0
Personal Care	\$150	\$140	\$10
Pets	\$170	\$100	\$70
Savings or Investments	\$200	\$200	\$0
Taxes	\$300	\$300	\$0
Transportation	\$1,425	\$1,375	\$50
Grand Total	\$7,915	\$7,860	\$55

3. Return to the Monthly Budget Report tab, and “Right-click PivotTable below and then click Refresh to update”
4. Try the Slicers and Filters out. This is a feature of PivotTables.

5. Click on the Enter Expenses button. This is a hyperlink that brings you to the second tab in the worksheet.
6. It’s filled in with sample data, all of which can be updated.

Monthly Expenses

This is a Table

Description	Category	Projected Cost	Actual Cost	Difference
Medical	Personal Care		\$0	
Food	Pets	\$150	\$75	\$75
Grooming	Pets	\$20	\$25	(\$5)
Medical	Pets		\$0	
Toys	Pets		\$0	
Investment account	Savings or Investments	\$200	\$200	\$0
Retirement account	Savings or Investments		\$0	
Federal	Taxes	\$300	\$300	\$0
Local	Taxes		\$0	
State	Taxes		\$0	
Bus/Taxi fare	Transportation	\$100	\$150	(\$50)
Fuel	Transportation	\$450	\$400	\$50
Insurance	Transportation	\$300	\$300	\$0
Licensing	Transportation	\$25	\$25	\$0
Maintenance	Transportation	\$100	\$50	\$50
Parking fees	Transportation		\$0	
Vehicle payment	Transportation	\$450	\$450	\$0
Total		\$7,915	\$7,860	\$55

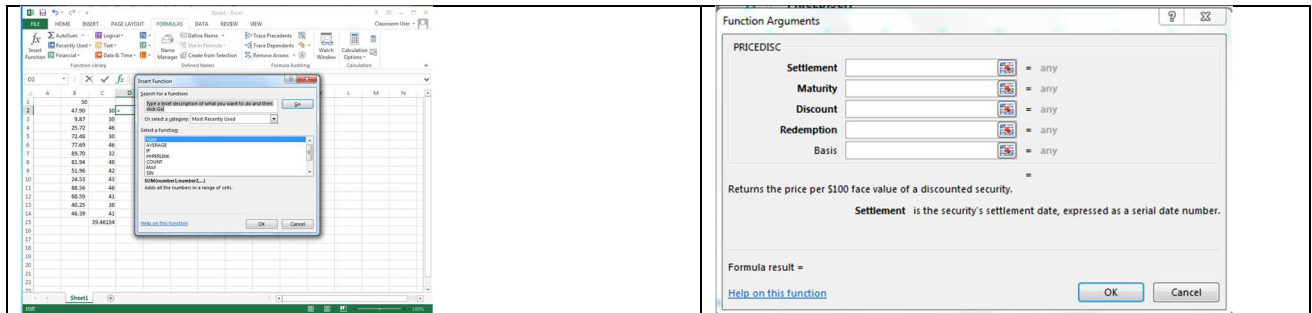
7. This is actually a Table of data, meaning you can sort the data by clicking on the top row (in a red circle). Tables can use Structured References – like a defined name, but begins with a @ symbol.



Exercise #4 - on Functions Tab

Use Insert Function dialog box to search for a Function

1. Select a Cell, in this example use E2
2. Click on **Insert Function** button on **FORMULAS TAB** (far left side).
3. Enter a search term, such as "loan repayment" to get a list of possible Functions.
4. Click on a function (try PMT) to display Function Arguments dialog box. Move it so it isn't covering your data.
5. The Dialog box will walk you through which data needs to be fed to the PMT Function. Select cell or range of cells to fill in the Values of the arguments, the formula result will appear in the lower left corner of the dialog box. Arguments within brackets are optional.

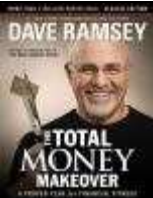


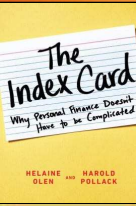



Error Messages:


#DIV/0!	The denominator is 0
#NAME?	Range Name doesn't exist in a worksheet. Check for a typo.
#NULL!	When you enter a space instead of a comma to separate cell references
#NUM!	Wrong type of argument in a function, or a number is too big or small
#REF!	Invalid cell reference, happens with clumsy cut & pasting.
#VALUE!	Wrong type of argument in a function, or if you do math on text
#####	Not really an error message - the column is too narrow to display the field. Adjust column width to display cell.



Books at SPL:

	The total money makeover: a proven plan for financial fitness / Dave Ramsey 332.024r both audiobook and hardcover.
	The little book that beats the market / Joel Greenblatt Greenblatt, Joel. 332.63228 G
	The one-page financial plan : a simple way to be smart about your money by Carl Richards 332.024R
	The index card: why personal finance doesn't have to be complicated By Helaine Olen and Harold Pollack. 332.024o
	How to make your money last: the indispensable retirement guide / Jane Bryant Quinn 332.024014 Q

Databases at the library:

	Morningstar Inc. - Research thousands of companies and mutual funds.
	"Value Line remains wholly dedicated to providing independent, unbiased research and opinion that ambitious investors can rely on to act decisively." – from its website. Tracks 1,700 publicly traded stocks in over 99 industries.

Excellent links for budgeting and financial advice. Calculators to help.

https://secure.aarp.org/work/retirement-planning/retirement_calculator.html

<https://www.ssa.gov/retire/estimator.html>

- These retirement calculators ask you to enter your current savings and earnings and return a recommended goal range for your retirement.

http://www.aarp.org/work/retirement-planning/roth_vs_traditional_401k_calculator/

- A visual explanation between the two types of IRAs.

<http://www.mymoney.gov> Learn all about money. In English and Spanish.

<https://www.investor.gov/> Learn all about investing from the SEC. In English and Spanish.

<https://www.moneysmart.gov.au/> Money tips from the Australian government. Great credit card debt calculators

<http://www.investopedia.com/university/budgeting/>

<http://www.youneedabudget.com/> - one month free trial, \$45 a year.

<https://www.mint.com/> - free budget maker, hooks into your financial and credit accounts.

Help with math and finance

<http://www.wolframalpha.com/input/?i=compound+interest>

- Double check your math when starting to learn Excel functions.

<https://www.khanacademy.org/economics-finance-domain/core-finance>

- Excellent videos about personal finance, investing. From the non-profit with the aim of providing a “free, world-class education for anyone, anywhere”.

<http://buffettsbooks.com/>

- Learn financial investing using the sources that Warren Buffet uses. Very manageable breakdown of important concepts such as “What is a balance sheet”.

<http://finance.yahoo.com/>

Help with Excel

<http://www.vertex42.com/Calculators/debt-reduction-calculator.html> This site has many interesting budgeting templates.