



Spending Plan Worksheet Checklist

Items you will need in order to complete your SPW:

Current Leave and Earnings Statement (LES)

Other pay statements

Record of any other monthly income

Monthly bills and payments

- Electricity and gas
- Phone (home and cell)
- Cable, satellite, and internet
- Water, sewage, and garbage
- Insurance

Debt payments

- Car loans
- Personal loans
- Student loans
- Credit cards
- Any other debt

Current bank statements

TO CALCULATE NET WORTH:

Current statements of investments (including TSP)

- Recent credit report
www.annualcreditreport.com
- Values of your home and any property
www.homegain.com

Value of your cars and vehicles

www.kbb.com

www.nada.com

www.edmunds.com

Other items that will be needed:

- *Spending Plan Worksheet*
- Calculator
- Scratch paper
- Pencils

Resources:

- Airman and Family Readiness Center personal financial counselors and educators
- Air Force Aid Society





Spending Plan Worksheet

Use this worksheet to record how much money you spent this month, then use the information to help you plan next month's spending.

Income	Monthly (Current)	Monthly (Goal)
Airman's income (salary after taxes, benefits and other deductions)	\$	\$
Spouse's income (salary after taxes, benefits and other deductions)	\$	\$
Other income (child support, second job, etc., after taxes)	\$	\$
Total monthly income	\$	\$

Transfers and Expenses	Monthly (Current)	Monthly (Goal)
Savings	\$	\$
Investments (401(k), IRA, etc.)	\$	\$
Payments on Debts (auto loans, credit cards, student loans, etc., but not mortgage)	\$	\$
Total monthly transfers and debt payments	\$	\$

HOUSING

Rent or mortgage	\$	\$
Renter's insurance or homeowner's insurance not included in mortgage	\$	\$
Utilities (electricity, gas, etc.)	\$	\$
Internet, cable and phones	\$	\$
Other housing expenses (pest control, lawn service, etc.)	\$	\$

FOOD

Groceries and household supplies	\$	\$
Meals out	\$	\$
Other food expenses	\$	\$

TRANSPORTATION

Auto/motorcycle insurance	\$	\$
Auto/motorcycle fuel	\$	\$
Auto/motorcycle service (maintenance, repairs, inspections, etc.)	\$	\$
Public transportation (Metro, bus, etc.) parking, tolls, ride sharing	\$	\$
Other transportation expenses	\$	\$

HEALTH

Medicines and supplements	\$	\$
Health insurance/deductibles/copays	\$	\$
Other health expenses (dentists, glasses, contacts, etc.)	\$	\$



PERSONAL AND FAMILY

Child care	\$	\$
Child support	\$	\$
Clothing and shoes	\$	\$
Laundry service/dry cleaning	\$	\$
Money given or sent to non-resident family members	\$	\$
Donations (charities, tithing, etc.)	\$	\$
Entertainment (movies, streaming services, magazines, etc.)	\$	\$
Vacations	\$	\$
Pets	\$	\$
Memberships and subscriptions	\$	\$
Other personal or family expenses	\$	\$

OTHER EXPENSES

Bank, credit card, ATM, and other fees	\$	\$
School costs (tuition, supplies, etc.)	\$	\$
Non-monthly expenses (life insurance, personal property taxes, etc.) ÷ 12	\$	\$
Gifts (estimated annual expenses ÷ 12)	\$	\$
Other expenses	\$	\$

UNCATEGORIZED EXPENSES

	\$	\$
	\$	\$
	\$	\$
Total monthly expenses	\$	\$

Actual Income	-	Actual Expenses	=	Actual Difference
\$ <input type="text"/>		\$ <input type="text"/>		\$ <input type="text"/>
Income Goal	-	Expense Goal	=	Difference Goal
\$ <input type="text"/>		\$ <input type="text"/>		\$ <input type="text"/>

If your income is more than your expenses, you have money left to save or spend. If your expenses are more than your income, look for expenses to reduce or cut.

Current Debt-to-Income Ratio	<input type="text"/>	%
Debt-to-Income Ratio Goal	<input type="text"/>	%

To calculate debt-to-income ratio:
 Total Debt Payments ÷ Total Income x 100
Note: This calculation excludes mortgage debt.

NET WORTH

Total value of savings, investments, real estate, personal property	\$
- Total indebtedness (mortgage, car loans, student loans, etc.)	\$
= Net worth	\$





Spending Plan Worksheet

Use this worksheet to record how much money you spent this month, then use the information to help you plan next month's spending.

Income	Monthly (Current)	Monthly (Goal)
Airman's income (salary after taxes, benefits and other deductions)	\$ 3,201.09	\$
Spouse's income (salary after taxes, benefits and other deductions)	\$ 0.00	\$
Other income (child support, second job, etc., after taxes)	\$	\$
Total monthly income	\$ 3,201.09	\$ 0.00

Transfers and Expenses	Monthly (Current)	Monthly (Goal)
Savings	\$ 300.00	\$
Investments (401(k), IRA, etc.)	\$ 150.00	\$
Payments on Debts (auto loans, credit cards, student loans, etc., but not mortgage)	\$	\$
Total monthly transfers and debt payments	\$ 450.00	\$ 0.00

HOUSING

Rent or mortgage	\$ 900.00	\$
Renter's insurance or homeowner's insurance not included in mortgage	\$ 20.00	\$
Utilities (electricity, gas, etc.)	\$ 150.00	\$
Internet, cable and phones	\$ 75.00	\$
Other housing expenses (pest control, lawn service, etc.)	\$	\$

FOOD

Groceries and household supplies	\$ 300.00	\$
Meals out	\$ 300.00	\$
Other food expenses	\$	\$

TRANSPORTATION

Auto/motorcycle insurance	\$ 175.00	\$
Auto/motorcycle fuel	\$ 120.00	\$
Auto/motorcycle service (maintenance, repairs, inspections, etc.)	\$ 100.00	\$
Public transportation (Metro, bus, etc.) parking, tolls, ride sharing	\$	\$
Other transportation expenses	\$	\$

HEALTH

Medicines and supplements	\$	\$
Health insurance/deductibles/copays	\$	\$
Other health expenses (dentists, glasses, contacts, etc.)	\$	\$



PERSONAL AND FAMILY

Child care	\$	\$
Child support	\$	\$
Clothing and shoes	\$ 100.00	\$
Laundry service/dry cleaning	\$ 80.00	\$
Money given or sent to non-resident family members	\$	\$
Donations (charities, tithing, etc.)	\$ 200.00	\$
Entertainment (movies, streaming services, magazines, etc.)	\$ 20.00	\$
Vacations	\$ 300.00	\$
Pets	\$	\$
Memberships and subscriptions	\$	\$
Other personal or family expenses	\$	\$

OTHER EXPENSES

Bank, credit card, ATM, and other fees	\$	\$
School costs (tuition, supplies, etc.)	\$	\$
Non-monthly expenses (life insurance, personal property taxes, etc.) ÷ 12	\$	\$
Gifts (estimated annual expenses ÷ 12)	\$ 100.00	\$
Other expenses	\$	\$

UNCATEGORIZED EXPENSES

	\$	\$
	\$	\$
	\$	\$
Total monthly expenses	\$ 3,390.00	\$ 0.00

Actual Income		Actual Expenses		Actual Difference
\$ 3,201.09	-	\$ 3,390.00	=	\$ -188.91
Income Goal		Expense Goal		Difference Goal
\$ 0.00	-	\$ 0.00	=	\$ 0.00

If your income is more than your expenses, you have money left to save or spend. If your expenses are more than your income, look for expenses to reduce or cut.

Current Debt-to-Income Ratio

Debt-to-Income Ratio Goal

To calculate debt-to-income ratio:

Total Debt Payments ÷ Total Income x 100

Note: This calculation excludes mortgage debt.

NET WORTH

Total value of savings, investments, real estate, personal property	\$	
- Total indebtedness (mortgage, car loans, student loans, etc.)	\$	
= Net worth	\$	0.00





Warning Signs of Credit Abuse

Credit cards make spending easy and may encourage you to spend more than you can repay. The following are possible warning signs that you have taken on too much debt:

- You have less than one month's take-home pay in savings.
- You can only afford the minimum monthly payments on credit cards.
- You have more income committed to debt repayments each month than you did the month before.
- You are falling behind on payments and receiving late notices.
- You use credit to pay regular living expenses, like utilities.
- You are at or near credit limits on credit cards most of the time.
- Your debt-to-income ratio is more than 20% (or 36%, if mortgage payments are included in the calculation).



At this point, financial counseling is recommended to help initiate a plan of action to reduce debt. Things are reaching the critical stage when an individual or family is:

- Rotating bills by paying some this month, some next month.
- Borrowing or getting cash advances to make payments – using credit to pay credit.
- Denied additional credit due to problems on credit reports.
- Hiding bills or being dishonest with family members about debts.
- Seeking additional money from predatory lending sources, such as payday loans or refund anticipation loans.
- Having to rely on a debt-consolidation loan to reduce payments enough to meet monthly living expenses.

At the critical point, financial counseling is essential to establish a plan to reduce debt to a manageable level.

SOURCES OF HELP

- Airman and Family Readiness Center (A&FRC) personal financial counselors and educators
- Your local military credit union's financial counselors
- Nonprofit consumer credit counseling agencies
- Base legal office
- The Consumer Financial Protection Bureau (CFPB)
- Military OneSource





Paying off Student Loans

Student Loan Repayment Options for Military Borrowers

GETTING STARTED

Determine Debt Balance: The first step to managing your student loan debt is to understand where you stand with your debt. With military moves, address changes, variable due dates, and the passage of time, it is easy to lose track of one or more outstanding loans. It is important to know how much you owe, and to whom, so you can stay on top of repayment.

Identify Loan Servicers: Most students will have been issued multiple loans, each potentially assigned to a different servicer. A loan servicer collects payments from borrowers. Student loan servicers can include any or all colleges or schools attended, banks and other lenders, or private companies specializing in loan management. You should make sure you know who your loan servicers are and have contact information for them.

Consider Options: Most repayment plans are specific to one or more loan programs and cannot be used with others. There are a number of federal student loan programs, though most individuals will have been funded by just one or two of them. If you have multiple instances of the same loan type with different servicers, you must make the same request to each servicer.

Stay Current with Loan Payments: The standard repayment plan for student loans is 120 equal monthly payments, or 10 years. The interest rate on federal loans is fixed at the time a loan is signed and does not change during the life of the loan. Some private loans have adjustable rates. You should not reduce or change payments until you are directed to do so by your loan servicer. Delinquency and default on student loans can have severe negative consequences for future credit, housing options, and employability.

Build a Spending Plan: Knowing your current financial situation includes accounting for more than just your student loan debt. To ensure that you understand your overall financial status, you should make a budget or spending plan. This will help you see how your student loan payments and debt fit into your current spending.

STUDENT LOAN TYPES

FEDERAL LOANS

Federal student loans fall into two categories:

- **Direct Loans:** “Direct” means that the federal funding comes to the financial aid office of the school or college rather than being funneled through a commercial bank. Direct Loan programs include Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans, and Direct Consolidation Loans. These loans may also be referred to as “Stafford Loans.”
- **Perkins Loans:** These are small, need-based loans for students with exceptional need. The money comes from the U.S. Department of Education but is serviced by the school or college that offers the loan.

PRIVATE EDUCATION LOANS

Privately issued student loans, also called “alternative” student loans, are interest-generating instruments promoted by banks and other lenders. Private loans offer fewer consumer protections and fewer opportunities to reshape payment terms. Like the loans people take out for houses and cars, a student’s credit score influences the terms of private loans, and repayment can begin immediately on disbursement. The loan’s terms may include increasing interest over time.

MANAGEMENT OPTIONS

Service members Civil Relief Act (SCRA): The SCRA caps the interest rate on debt obtained prior to your military service at 6% during periods of active duty. This includes student loans—federal and private—as well as consumer loans and credit cards. The SCRA also applies to National Guard and Reserve personnel, whether in state or federal service. Check with your installation legal services office about how the SCRA may apply to you.

College Loan Repayment Program (CLRP): Under the CLRP, enlisted Airmen may be eligible for assistance to repay postsecondary educational loans based upon their rate and the specific terms and conditions listed on their original enlistment contract. The Air Force will repay up to \$10,000 for student loans obtained prior to enlistment. The Air Force Reserves do not offer the CLRP program. Air National Guard members may be eligible for tuition assistance depending on the state in which they reside.

Public Service Loan Forgiveness: The Public Service Loan Forgiveness (PSLF) Program may help borrowers who intend to make the military a career or transition into jobs in the public or nonprofit sectors. If you qualify, the remaining balance of your federal Direct Loans may be forgiven. You must be employed full-time in a qualifying government or nonprofit public service organization, including military service, and make 120 qualifying payments (after October 1, 2007). To determine eligibility, you will need to submit an Employment Certification for Public Service Loan Forgiveness form.

Deferment: Under certain conditions, payment on the principal of student loans may be suspended for a period of time. Loans may be deferred for up to three years while borrowers continue their education, serve on active duty, or deal with a financial hardship. The loan servicer determines documentation requirements. Private lenders may have deferment options.

Forbearance: Forbearance, or the suspension of payments, may be granted to borrowers who do not qualify for deferment or have exhausted deferment options. Private lenders may have forbearance options.

Graduated Repayment: Graduated repayment structures a student loan so that the borrower pays less in the early years of repayment and more later on, presumably when the borrower is better established financially. The term of a graduated repayment plan is 10 years. Because the principal does not decrease as quickly, the total cost of borrowing at the end of 10 years will be higher than under a standard repayment plan.

Extended Payment: An extended payment plan can reduce payments by spreading them over a period of up to 25 years. Most federal loans qualify for extended repayment. However, the borrower must owe more than \$30,000 to be considered. Extended repayment plans can also be graduated. Payments will be lower with an extended payment plan, but the total cost of borrowing (principal plus interest paid) will be much higher.

Payment Reductions: Income-driven repayment options differ by the loan program(s) to which they apply, the conditions borrowers must meet, and the length of the payment schedule. They also have procedural and benefit differences. Options include the Revised Pay As You Earn Plan (REPAYE) and the Pay As Your Earn Plan (PAYE). With both plans the monthly payment is 10% of the borrower's discretionary income but never more than what the borrower would pay under the 10-year Standard Repayment Plan. Repayment period can be 20 to 25 years, depending on the loan and plan.

Consolidation Loans: Consolidation loans may be available to combine student loans into a single payment under one servicer. The effective interest rate is usually a little higher than what you have been paying, and the term of the loan may be extended—up to 30 years—which means that the cost of the borrowed money will be higher in the end. You can consolidate loans only once. Many financial experts advise to not consolidate federal student loans with private student loans because doing so can result in losing options such as federal protections, repayment options, and loan forgiveness.

Before you select a repayment option or loan consolidation, you should be aware of all your options and of the consequences of the option you select. Contact your loan servicer or private loan lender to discuss which option is best for your situation. The Federal Student Aid website (<https://studentaid.ed.gov/sa/repay-loans>) contains detailed information about repayment and consolidation loan options for federal student loans.

USEFUL WEBSITES

- Consumer Financial Protection Bureau (CFPB):
<https://www.consumerfinance.gov/paying-for-college/repay-student-debt/>
- Federal Direct Consolidation Loan:
<https://studentaid.ed.gov/sa/repay-loans/consolidation#page>
- Federal Student Loan Repayment Estimator:
<https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>
- Federal Student Aid Repayment Options:
<https://studentaid.ed.gov/sa/repay-loans>
- Federal Student Aid Ombudsman:
<https://studentaid.ed.gov/sa/repay-loans/disputes/prepare>
- National Student Loan Data System (NSLDS):
https://www.nsls.ed.gov/nsls/nsls_SA/
- Public Service Loan Forgiveness Program:
<https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service>
- U.S. Department of Education Loan Default Resolution Group:
<https://myeddebt.ed.gov>

OTHER RESOURCES

CFPB Private Education Loan Ombudsman

Email: CFPBOmbudsman@cfpb.gov

Phone: 1-855-830-7880

TTY: 202-435-9835

Fax: 202-435-7888

<https://www.consumerfinance.gov/complaint/>

Federal Student Aid Ombudsman Group

Phone: 1-877-557-2575

Fax: 606-396-4821

Direct Consolidation Loan Application

Phone: 1-800-557-7392

TTY: 1-800-557-7395

<https://studentloans.gov/myDirectLoan/launchConsolidation.action?ga=2.78604756.1942761193.1527081349-555950422.1511901894>

