

How do I make choices in tight months?

You may have months where you have to make tough choices and prioritize one payment over another.

This can be influenced by personal factors such as:

- Your capacity or ability to pay off the debt
- If the debt or expense relates to essential life needs (such as housing, utilities)
- If the person you owe could take legal action for not paying the debt

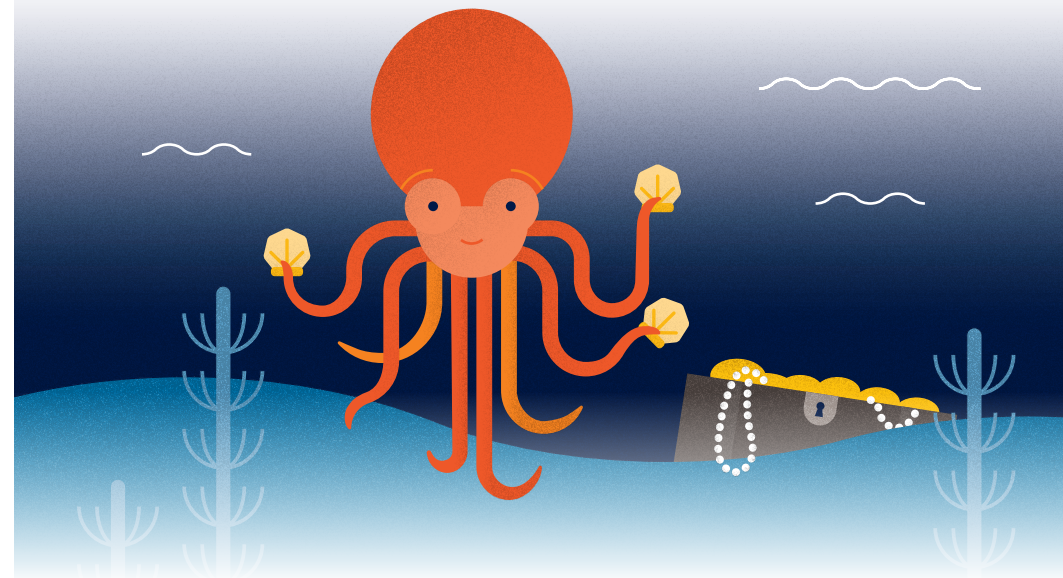
Use this worksheet to write down what debts you currently owe and decide the best payoff order for you.

Type of bill or expense	Amount due	When it is due	Priority?	Consequences of not paying it on time

Tips that can help

- If you have to miss a payment, call your creditors. You may be able to make a short-term arrangement such as negotiating not having to pay the late payment fee if you are in good standing with the creditor.
- One strategy is to rotate the bills you pay each month. While not ideal, this may prevent you from losing your car or house, having a utility shut off, or getting into a serious default on a loan.
- Timing matters. Consequences for not paying bills vary. For example, if you do not pay your utility bills, you may risk losing service. Some payments that are received within 30 days of their due date will not affect your credit report. Prioritize your bill payments based on greatest need and least harmful consequences.
- If you are often late with a particular bill, try to negotiate a new due date. Line up payment dates with the dates you receive income or benefits.

05 Making a spending plan



This worksheet helps you set a spending plan for each week, based on the money you have coming in and going out that month.

To use this worksheet you'll need to:

- Know your amount of income each month, or week, from different sources
- Know your expected expenses each week
- Be able to track your actual spending each week

Use this worksheet by filling it in one week at a time:

1. Starting with Week 1, fill in your expected income from different sources in that week. Add up the total.

2. Write in the expenses you expect to have that week, and their amounts. These are your planned expenses. Add up the total.
3. At the end of the week, write in how much you ended up spending. These are your actual expenses. Add up the total.
4. See how the week turned out. Review whether your total expenses were different from your plan. Review whether your expenses were more or less than your total income. Make adjustments as needed for the following week.
5. Move on to Week 2, repeating steps 1-4.

