



Personal Financial Wellness Assessment

Please answer each of the following questions as truthfully as possible. When you are finished, follow the instructions for calculating your score and assessing your personal financial wellness.

T **F** I have a pretty good idea of my current net worth. I have a current personal balance sheet, and I review it and update it several times per year.

T **F** I have a current retirement plan, I have at least a ballpark idea of how much net worth I must acquire to meet my retirement goals, and I have a plan for reaching those goals.

T **F** I know the current balance of each of my retirement accounts, the current rate of return, the approximate percentage of my gross income that I am contributing, the approximate percentage my employer is contributing, and my current vesting schedule.

T **F** I currently have an emergency fund with a balance that is equal to between six and nine months of my net monthly income, and I only use this fund for true emergencies.

T **F** I have a current "Income Distribution Plan" (also known as a budget). I have established spending goals, I track my income versus expenses every month, and I know approximately what percentage of my income I spend on debt service and discretionary items.

T **F** I regularly have money left over at the end of each month.

T **F** I know how much **life** insurance I have. I am comfortable that the cumulative values of my current policies are adequate for my current personal situation, and my beneficiary information is up to date.

T **F** I have a good idea of how much short-term and long-term **disability** insurance I have. I am comfortable that my current policies are adequate for my current personal situation. I know the amount of coverage my policies will provide, when the benefits would start and end, and whether or not they are taxable or tax free.

T **F** I have reviewed my homeowner's (or renter's), automobile, and personal umbrella insurance policies within the last 24 months, and I am comfortable that my current limits are adequate for my current personal situation.

T **F** I know my current FICO score and monitor my score on at least a quarterly basis.

- T** **F** I thoroughly review a copy of my credit report for accuracy at least four times a year.
- T** **F** I always pay my bills on time and do not have any late payments on my credit report.
- T** **F** I always comparison shop when making large purchases.
- T** **F** I always pay off my credit card balances each and every month.
- T** **F** I currently have an up-to-date living will or living trust. I understand the provisions of each and am comfortable that they meet my current personal situation.
- T** **F** I currently have one or more financial mentors who hold me accountable and serve as true partners and advisors in my financial progress.
- T** **F** I am constantly seeking to improve my financial knowledge by regularly reading personal financial magazines / articles and attending personal financial courses / seminars.
- T** **F** I have tools available to me that allow me to plan ahead for large expenses such as buying a home, saving for college education, funding a vacation, or buying an automobile.
- T** **F** I have tools available to me that allow me to create a plan for determining the most efficient way of paying down my debt obligations.
- T** **F** I currently have an organized filing system in which I have current copies of each of my financial plans, my policy information, and my most current account statements.

SCORING

Give yourself one (1) point for every time you answered “True,” and zero (0) points for every time you answered “False” to each of the above questions.

20 to 16 points: Great job! You obviously have a good grasp of the state or your finances and possess very good personal financial habits and behaviors. But don’t stop now; there is always room for improvement.

15 to 12 points: Be cautious! You are not completely in the dark, but your knowledge is not quite adequate in some areas. This could prove to be disastrous. You need to change some personal financial habits and behaviors.

Below 12 points: DANGER! You are running the risk losing control of your personal finances and are susceptible to being severely hurt by a financial catastrophe. You need to work on creating several new personal financial habits and behaviors.

Source:

<http://www.integratedbusinessadvisors.com/>