

COMPUTER LITERACY

MICROSOFT EXCEL: BUDGETING PROJECT

Name: _____



Budgeting With Excel

Phil is trying to save up enough money to buy a car at the end of the year. The problem is that he doesn't have much money saved up and he has bills to pay every month. He also wants to make sure that he is giving his tithe (10% of what he earns) to the church each month. The car he wants to buy will cost him **\$4,000**. Help Phil set up a budget to see if, at the end of the year, he will have enough saved up to buy the car.

Vocabulary:

- **Income** – this is the money that you earn from working.
- **Expenses** – these are things you pay for using your money.

Getting Started

1. Go to www.mrpeyton.com and download the Excel Project file “**Phil’s Budget**” on the Computer Literacy page.
2. Open up this file on your computer. You should see the budget already set up, showing how much Phil made during the past year, what he spent his money on, and how much he had left over each month – which he saved.

Adding Up Income (GREEN CELLS):

First, you will need to add up how much money Phil made each month. At his job, he earns a regular paycheck but also has the option to work overtime and earn extra money. In addition, he got a raise in June which bumped up his regular paycheck.

3. Starting in cell **B5**, use the **SUM** formula to add up Phil’s income from January in cells **B1:B4**.
4. Repeat this for each month, adding up February in **C5**, March in **D5**, and so on.
5. After you have added up Phil’s income from each month, use the **SUM** formula to add up Phil’s total income for the whole year (**B5:M5**) in cell **O5**.

Giving to the LORD (YELLOW CELLS):

Now you will need to figure out how much money Phil budgeted to give to his church each month. Since Phil decided to “tithe” his income, this means he gave 10% of everything he earned each month to the church.

6. Starting in cell **B7**, create a mathematical formula to divide Phil’s income from January (in cell **B5**) by 10. Your formula will look like this: **=B5/10**
7. Repeat this for each month, figuring out Phil’s tithe for February in **C7**, March in **D7**, and so on.
8. After you have figured out Phil’s tithe from each month, use the **SUM** formula to add up Phil’s total tithe for the whole year (**B7:M7**) in cell **O7**.

Adding Up Expenses (PINK CELLS):

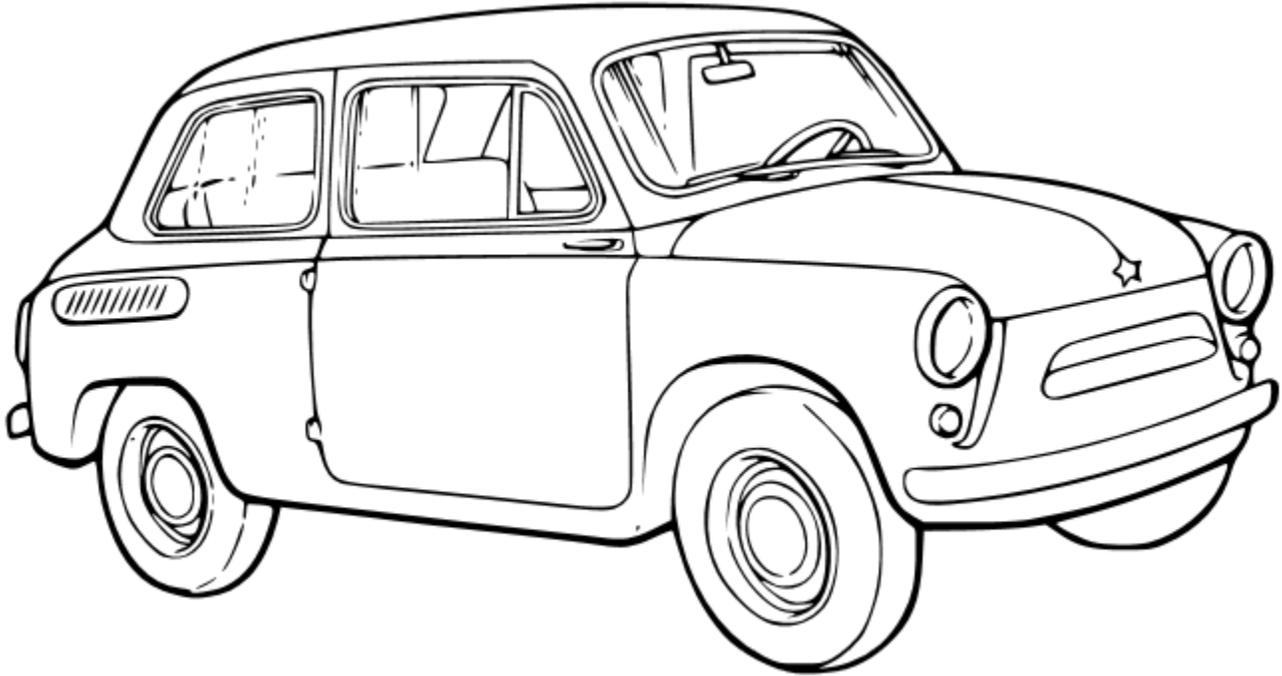
Next you will need to figure out how much Phil had to spend each month using his income – including his tithe and bills. Notice that some bills go up and down during the year, like the gas bill which is higher in winter months because Phil’s house uses a gas furnace for heat.

9. Starting in cell **B16**, use the **SUM** formula to add up Phil’s total expenses for the month of January (**B7:B15**)
10. Repeat this for each month, figuring out Phil’s expenses for February in **C16**, March in **D16**, and so on.
11. After you have figured out Phil’s expenses for each month, use the **SUM** formula to add up Phil’s total expenses for the whole year (**B16:M16**) in cell **O16**.

Saving the Rest (BLUE CELLS):

Finally, you will need to figure out how much money is left over each month after Phil tithes for church and pays his bills.

12. Starting in cell **B18**, create a mathematical formula that will subtract the total expenses (**B16**) for January from the total income for January (**B5**). Your formula will look like this: **=B5-B16**
13. Repeat this for each month, figuring out Phil's savings for February in **C18**, March in **D18**, and so on.
14. After you have figured out Phil's savings from each month, use the **SUM** formula to add up Phil's total savings for the whole year (**B18:M18**) in cell **O18**.
15. **How much money did Phil save up total for the whole year?** _____
16. **Will Phil be able to afford his new car?** **YES** or **NO**



Finishing Up

17. Save your Excel document (or "workbook") using Excel Project and your last name like this: Excel Project -Smith.xls
18. Use the Dropbox link on mrpeyton.com to send Mr. Peyton your finished exercise file.



USEFUL TIPS:

You can make the columns wider by pointing between the lettered cells at the top until the cursor turns into this:  Once the cursor changes, you can click and "drag" the column left/right to make it wider or narrower.

Copying and pasting becomes *super easy* when you learn to use keyboard shortcuts. After you highlight what you want to copy, simply press **Ctrl+C** to copy it. Then, when you want to paste it, simply press **Ctrl+V**. If you want to cut and paste instead, press **Ctrl+X** to cut, then the same paste command as before.