

CFA Accuracy Review Sheet

POSITIVE CFA

About Your Results

According to the information you've provided, your Cash-FLOW Analysis™ suggests that you're experiencing positive cash flow each month. Please make sure this result is reasonably accurate, because our determination of the best strategy to help you achieve your debt-freedom goal will be based on this number.

If this seems inaccurate, then here are some things to check:

Have you recorded ALL of your debts? Is it possible you may have omitted a debt? Sometimes a spouse or partner may have a debt that you've forgotten to record.

Have you recorded your income correctly? Make sure that you haven't recorded "Gross" income in the "Net" income section of the Cash-FLOW Analysis™. Doing so will cause your Cash-FLOW Analysis™ to appear to be positive when it may not be.

Have you recorded payroll deductions accurately? Maybe your health insurance premium is coming out of your paycheck and when you recorded your income you didn't deduct that amount from the net amount or you forgot to record the expense when you entered your living expenses.

Did you record all of your living expenses? Be sure that ALL expenses are being accounted for. If you have others living in the household, there may be expenses you're not aware of. Are you forgetting about expenses like pet care or school lunches for your children? Review your checkbook register and/or bank statements to be sure that you haven't forgotten any expenses.

Did you forget about property taxes? Don't forget if you own a home you'll need to pay property taxes. Make sure that you've recorded this as well. If you pay taxes annually, then simply divide that amount by 12 and enter this into the "Monthly Amount" field after you select the "Taxes" category in the "Expense Type" field on the STEP 3: ENTER YOUR EXPENSES page of your Cash-Flow Analysis™.

Forgotten expenses? Did you forget about those automated payments you have made from your checking account, such as life or health insurance? What about the "latte a day" or other "beverage breaks", and don't forget the cost of habits like tobacco. Finally – don't forget to consider those trips to the store for milk and bread that occur sporadically throughout the month. They should show up in your Groceries monthly expense amount.

Be sure that you're entering the "Current Payment" amounts for your bills. If you have a payment that's behind a month or two, the "minimum" payment may be increased to get you "caught up". For example, if your normal credit card payment is \$50, but you're behind by two months, then the "Current

Payment” amount may be \$150 instead of the \$50. Be sure to use the payment that is currently required by your creditor (in this example, \$150) not just the minimum payment.

To make any changes to the income or expense information you’ve already entered, just click the BACK button to the left. It will take you back to the Income page of the Cash-FLOW Analysis™. Or you can click a link on the navigation bar at the top of the page to go directly to the appropriate Income or Expense page. Once you’ve made a change on a page, or if there’s no change to make on a page, just click the SAVE AND CONTINUE button to move to the next entry page.

NEGATIVE CFA

About Your Results

According to the information you’ve provided, your Cash-FLOW Analysis™ suggests that you’re either just breaking even or running behind each month. Please make sure this result is reasonably accurate, because our determination of the best strategy to help you achieve your debt-freedom goal will be based on this number.

If this seems inaccurate, then here are some things to check:

Make sure that you haven’t accounted for any payroll deductions or automated payments more than once. For example, if your monthly health insurance benefit is being provided by your employer but you contribute \$150 a month to the premium, this amount may be deducted from your paycheck. So your Net Income already includes this amount being deducted (paid) out of your income. If you’ve also placed this premium amount in the “Expenses” portion of your Cash-FLOW Analysis™ - then this is being deducted twice. If this is the case, then increase your net income amount by this same amount and leave the \$150 amount in the health insurance portion so that the appropriate amount is being deducted only once.

It’s also possible that you have payments automatically being deducted from your checking account such as life or car insurance payments. Make sure that these amounts are only recorded in the “Expenses” section of your Cash-FLOW Analysis™ and nowhere else.

With regards to homeowners insurance, there can be two types, “mortgage” and “homeowner’s”. Mortgage insurance is generally purchased to protect the mortgage itself whereas homeowner’s insurance is designed to protect your home from damages such as a fire or robbery. Make sure that none of these payments are included with your normal monthly payment and be sure that these figures are recorded appropriately.

Verify your monthly income figures. Be sure that you entered your income figures correctly and that the amounts you entered match the frequency. Perhaps you entered \$500 in net income and inadvertently selected “Every Other Week” instead of “Weekly”. This would reduce your income amount.

Be sure you've included all of your income. If you're receiving income from child support, a second job, receive tips from your job, receive overtime income on a regular basis, or have income from rental property or investments, make sure that you're including that income as well. The omission of any additional income will cause the results of your Cash-FLOW Analysis™ to appear more negative than it really is.

Make sure your living expenses are in line. Check to make sure that you haven't overestimated your living expenses. Maybe you have \$400 listed as your monthly entertainment expense. Make sure that all of your living expenses are true and reasonable. On the other hand, make sure those gourmet coffees you get on the way to work or any casual cash purchases you regularly make show up in your expenses.

Did you forget your cell phone bill? Many people forget about cell phone services and other such services like cable and satellite TV; Internet services; or uncommon telecommunications services. Be sure to include those expenses.

To make any changes to an income or expense you've already entered, just click the **BACK** button to the left. It will take you back to the Income page of the Cash-FLOW Analysis™. Or you can click a link on the navigation bar at the top of the page to go directly to the appropriate Income or Expense page. Once you've made a change on a page, or if there's no change to make on a page, just click the **SAVE AND CONTINUE** button to move to the next entry page.