

Use this worksheet to calculate whether one spouse can afford to stop working.

A: Enter your monthly take home pay: \$_____

Your spouse's monthly take home pay: \$_____

Your monthly take home pay combined: \$_____

B: Enter your anticipated monthly expenses post-baby (over-estimate, if possible):

Mortgage or rent \$_____

Car payments and insurance \$_____

Utilities and cell phone bills \$_____

Other insurance (health, life, homeowners, disability) \$_____

Groceries \$_____

Miscellaneous (entertainment, dining out, gym membership) \$_____

Debt repayment \$_____

Child-related expenses, not including childcare \$_____

Savings, not including retirement contributions automatically deducted from your paycheck: \$_____

Other \$_____

Total \$_____

C: Enter the amount you expect to pay for childcare each month if both spouses were to work:

\$_____

D: Enter the amount the spouse who would stay home pays in commuting and other work-related costs each month (wardrobe, your daily latte):

\$_____

E: Subtract the total in B and C from your combined monthly take home pay in A.

\$_____

F: Subtract the total in B from the monthly take home pay of the spouse who will continue to work \$_____

G: Add the total in D and F:

\$_____

Now look at which figure is greater: D or G? Remember, you want a little bit of cushion here, so if it looks like you're cutting it close, go back and see if you can cut some of your variable expenses in B. If there isn't any wiggle room, staying home, at least full-time, might not work. Perhaps there's a part-time work option.