

Budget Module Overheads

What is a Budget?

Step by Step plan for meeting expenses in a given period of time.

Budget Components.

What is Income?

What are Expenses?

- . Fixed
- . Flexible
- . Discretionary

Create Your Own Budget

- 1. Evaluate Income All sources.
- 2. Evaluate expenses Where does money go?
- 3. Enter income & expenses in budget sheet.
- 4. Determine if income covers expenses outlined in budget.
- 5. <u>No</u> Must determine where expenses can be reduced or eliminated.
- 6. <u>Yes</u> Analyze expenses. Are there more efficient ways to use your money to increase wealth?

Remember ----- Always Pay Yourself First

Daily Spending Diary

Day	What did I spend my money on today?
Sunday	
Monday	
Tuesday	
Wednesday	
Thursday	
Friday	
Saturday	

Monthly Payment Calendar

January 2004* Example						
1	\$1,000 paycheck \$25-savings	3	4	\$300 child support	6	7
8	9	10	11	12	\$500-rent 13	14
15	\$25- phone bill	17	18	19	\$250-food \$50-credit card	21
22	23 \$50 - bus	24	25	26	\$50 - personal	28
29	30 \$250-child care					

^{*} Underlined items indicate income.

Budgeting Worksheet College Graduate

My Income

My Expenses

Fixed Expenses

i.e. Job, allowance, babysitting etc.

Wages \$	Rent/Mortgage \$	
Wages \$Public assistance \$	Property taxes/ Insurance \$	
Child support \$	Car payment \$	
Child support \$	Car payment \$ Car insurance \$	
Interest/ Dividends \$	Cai insurance \$	
Odd Jobs \$	Mana transit (Lucy etc.)	
Allowance \$	Mass transit (bus, etc.) \$	
Alimony \$		
Other \$	Credit Card Payments \$	
	Health insurance \$	
	Day care \$	
	Elawihla Ewnangag	
	Flexible Expenses	
	Savings \$	
	Gas/Oil \$	
	Electricity \$	
	Other Utility \$	
	Telephone \$	
	Food \$	
	Transportation/Gas \$	
	Car maintenance \$	
	Education \$	
	Personal/Clothing expenses \$	
	Discretionary Expenses	
	Haircut, CD's etc.	
	Entertainment	
Total Income \$		
	Total Expenses \$	

Budgeting Worksheet High School Graduate

My Income

My Expenses

i.e. Job, allowance, babysitting etc.

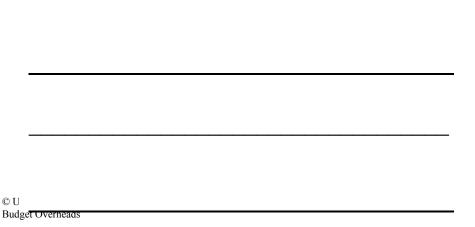
	Fixed Expenses	
Wages \$	Rent/Mortgage \$	
Public assistance	Property taxes/ Insurance \$	
Child Support\$		
Interest/Dividends \$		
Odd Jobs \$		
Allowance \$	Mass transit (bus, etc.) \$	
Alimony \$		
Other \$	Credit Card Payments \$	
	Health insurance \$	
	Day care \$	
	Flexible Expenses	
	Savings \$	
	Gas/Oil \$	
	Electricity \$	
	Other Utility \$	
	Telephone \$	
	Food \$	
	Transportation/Gas \$	
	Car maintenance \$	
	Education \$	
	Personal/Clothing expenses \$	
	Discretionary Expenses	
	Haircut, CD's etc.	
	Entertainment	

Total Income \$	
	Total Expenses \$

Advantages of a Budget.

- 1. Gives control of financial situation by:
- 2. Plan ahead for expenses.
- 3. Reduces money-related anxiety.
- 4. Helps avoid overspending.
- 5. Creates a savings plan.
- 6. Helps avoid late fees & additional interest charges associated with late payments.

Other Reasons?





Be the Boss of your Money!

Eight Simple Ways to Cut Expenses and Save

1. Adjust flexible expenses.

- · Watch utility use.
- Fill up the gas tank and pay at the pump.
- If you smoke QUIT!
- Bring your lunch.

2. Plan discretionary expenses.

- · Before buying on impulse–walk around the store with it.
- Plan major purchases.
- Do not carry cash too easy to spend.
- 3. Pay off debt as fast as possible.
- 4. As debt eliminated pay extra on other debts.
- 5. Control use of credit cards.
- 6. Pay bills on time!
- 7. Change Jar.
- 8. Open a savings account.

